

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 BOOST AND REACH THE FULL POTENTIAL OF MUGLER'S PERFUMES
BRAND LOYALTY?

AN ANALYSIS OF LOYALTY PROGRAMS IN PORTUGAL

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Abstract

Mugler is having difficulties launching a loyalty program in Portugal because of the small size of its market and the brand's distribution model that makes it heavily dependent on retailers. GDPR regulations further do not allow the brand to access customer data. This individual part therefore aims to study how to establish a direct relationship with the Mugler consumer in Portugal through a loyalty program, taking into account the retail landscape. The main findings are that Mugler should seize the opportunity of merging with Spain, then adapt the Mugler Circle locally, and finally create awareness through offline and online channels.

Keywords: Luxury, Fragrances, Loyalty, Mugler, Customer Relationship Management, Retention

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1 Introduction

The dynamic and competitive perfume industry currently presents a short life expectancy for fragrances. However, the constant launches and the global and brief trends threaten the maintenance and emergence of emblematic and eternal perfumes. The following Master's thesis was developed within the Luxury stream in the Master's in Management at Nova School of Business and Economics in cooperation with L'Oréal Portugal. As a newly acquired brand of L'Oréal, Mugler is currently facing a consumer environment of decreased brand loyalty and increased touchpoints. Therefore, this Master's thesis will answer the challenge of how to boost and reach the full potential of Mugler's perfumes brand loyalty.

In the second section, the contextual background for the analysis of the Portuguese perfume market is established by considering the market, the L'Oréal Group, the competitive landscape of the perfume market, and the distribution channels of the brand Mugler. Then a brand overview to introduce the brand Mugler will be followed by an analysis of Mugler's Business Model. The third section of this master thesis first introduces the brand challenge, then presents the research methodology. Furthermore, the research findings are presented identifying three different consumer segments, their relationship with Mugler, and their loyalty drivers. Finally, section 4 concludes with a summary of the significant findings and presents implications for the three individual reports that will provide further recommendations to Mugler as a brand of L'Oréal Portugal. Finally, this work project concludes with the project limitations.

2 Contextual Background

2.1 Fragrance Market in Portugal

2.1.1 Market Overview

The worldwide beauty market includes the categories Skincare with the highest market share of 40%, Haircare with 21%, Make-Up with 19%, Fragrance with 11%, and lastly, Hygiene Products with 10% market share (L'Oréal Portugal, 2021). Furthermore, the luxury cosmetics market represents 25% of the beauty market worldwide and 50% of the worldwide cosmetics market growth (L'Oréal Portugal, 2021). The following work focuses on the fragrances market in Portugal, which increased in 2019 with a 4,9% sales growth (L'Oréal Portugal, 2021).

2.1.2 L'Oréal Group

The L'Oréal Group has 36 brands present across 150 countries and accounts for 31,8% of the worldwide cosmetics market (L'Oréal, 2021). The product portfolio of L'Oréal includes Skincare and Sun Protection (35%), Make-up (26,3%), Haircare (14,9%), Hair Coloring (10,1%), and Fragrances (9,3%) (L'Oréal, 2021). The brands are organized into four divisions: Consumer Products Division (42,7%), L'Oréal Luxe (36,9%), Professional Products Division (11,5%), and Active Cosmetics Division (8,9%) (L'Oréal, 2021). The brand portfolio of the Luxe Division, which accounts for 36,9% of L'Oréal's worldwide sales, includes Mugler, Lancôme, Valentino, Giorgio Armani, Yves Saint Laurent, Biotherm, Kiehl's, Ralph Lauren, Cacharel, Diesel and Viktor&Rolf (L'Oréal, 2021).

L'Oréal Luxe is the first player in Portugal, accounting for 22% of the market share. In 2020, the division reached 6,5% of sales growth, with its fragrances reaching 12% (L'Oréal, 2021).

The L'Oréal group acquired Mugler from the Clarins Group in 2020, which was then integrated into its Luxe Division (L'Oréal, 2021).

2.1.3 Fragrance Market Competitive Landscape

Taking a closer look at the individual brands of the premium women's fragrances market in Portugal, in which Mugler fragrances can also be included, several competitors can be identified. Table 1 shows Mugler's most relevant competitor brands in order of importance. Chanel is the most pertinent competitor (L'Oréal Portugal, 2021).

Rank	Brand
1.	Chanel
2.	Carolina Herrera
3.	Giorgio Armani
4.	Dolce & Gabbana
5.	Boss
6.	Dior
7.	Paco Rabanne
8.	Yves Saint Laurent
9.	Lancôme
10.	Calvin Klein

Table 1: Mugler's Most relevant competitor brands (L'Oréal Portugal, 2021)

2.1.4 Distribution Channels

Mugler's offline distribution focuses on department stores, perfumeries and travel retail, all of which combined account for 85% of the brand's revenues. The brand's most relevant perfumeries in terms of revenues are Perfumes & Companhia, Douglas, and Sephora, accounting for 50-60%, 10-15%, and 8-12% of revenues, respectively (L'Oréal Portugal, 2021).

Furthermore, Mugler is present in the department store El Corte Inglés, where it has a particularly generous area of its own. The online distribution represents 15% of Mugler's revenues and is entirely achieved through e-retailers. First, through the previously mentioned retailers, whose share of Mugler's sales online is equal to that offline. Secondly, Mugler is distributed through online players like Sweetcare, Well's and Loja do Shampoo (L'Oréal Portugal, 2021).

2.2 Brand Overview

Mugler was founded as a fashion house in 1973 by the french designer Manfred Thierry Mugler. In 1992, Mugler entered the perfume market with its first fragrance Angel in collaboration with the Clarins Group (Mugler, 2021). Thierry Mugler abandoned Haute Couture in 1997, posteriorly, in 2003, the fashion sector (Vogue, 2021). Even if the brand suffered from the creator's departure, in 2011, the new Creative Director Nicola Formichetti resuscitated the ready-to-wear line (Zeitgeist, 2021).

The house stands for a unique view of the world inspired by spirituality and mystery to escape reality by dreaming. The brand creates a sense of belonging to the extraordinary. Its style breaks codes and defies convention as opposed to current trends. The brand offers the gift of freedom to be someone else, the pleasure of being known and recognized without unveiling yourself. The Mugler woman is dominant, conquering, electric, sophisticated, and has big dreams. (L'Oréal Portugal, 2021).

In 2018, Casey Cadwallader started as Creative Director at Mugler and still follows the brand's unique and extravagant DNA and energy, which is detectable through the exaggerated emphasis on curves and the fantasized spirit. The creations of Cadwallader are futuristic, unexpected, controversial, excessive, and hyper-feminized. Inspired by industrial design, architecture, and technology, the visionary fashion pieces and fragrances are made of high-quality materials, being both bold and sculptural. In recent years, celebrities like Kim Kardashian and Cardi B wore Mugler pieces on the red carpet, helping the brand come back in the fashion industry (Appendix 2) (Zeitgeist, 2021).

2.3 Mugler's Business Model

2.3.1 Creator's Light Approach

Since Mugler was founded as a fashion house, the brand has followed the approach of Luxury as the Creator's Light. The approach focuses on the brand's luxury status being built up and supported by the aura of the brand's creator or artistic director. This charismatic persona developed by the brand's creator or art director results in the differentiation of the luxury brand among its peers due to the association with the persona, conveying a particular character and personality to the brand.

Thierry Mugler brought his supernatural fantasies in a spectacular and highly sensorial way with an overdose of energy, generosity, and audacity to life (L'Oréal Portugal, 2021). The founder created the brand to offer women extraordinary power to become who they want to be. The brand still reflects the creator's unique vision by maintaining the aura. Inspired by the woman's body, Mugler combines fantasy, mystery, extravagance, and consistency and gives a sense of freedom, independence, and boldness. By conveying a feeling of excess, fascination, and expectation, Mugler developed a charismatic persona.

Furthermore, the aura is legitimized by mythologizing the founder Thierry Mugler and emphasizing his connection to art and its hometown Strasbourg (Mugler, 2021). The fashion shows and collections are still inspired by the architecture and Gothic spirit of the French city. In addition, through exhibitions, the brand keeps the creator's aura, myth, and heritage alive (da Silveira, 2021). The Musée des Arts Décoratifs in Paris is presenting from September

30th,2021, until April 24th,2022, an exhibition about the work of Thierry Mugler (Musée des Arts Décoratifs, 2021).

To explain Mugler's business model, the Luxury as the Creator's Light pyramid from Kapferer can be applied. The pyramid includes the four levels Licences/Accessories, Upper-range, Luxury, and Unique Creation. According to Kapferer and Bastien, 2012 the luxury brands that have emerged from haute couture position themselves on the pyramid based on their strategy and financial results (Kapferer & Bastien, 2012, p.141). Most 'haute couture' fashion houses remain at the top of the pyramid, but their business is primarily based on accessible products such as glasses, sunglasses, leather goods, or jewelry (Kapferer & Bastien, 2012, p.141). Even if the fashion house Thierry Mugler abandoned haute couture, it still preserves the memory and myth by reviving a prêt-à-porter business (Kapferer & Bastien, 2012, p.141). Furthermore, the brand uses underground culture and humor elements to subvert the codes of Parisian haute couture (L'Oréal Portugal, 2021). In addition, traditional craftsmanship is translated into new, contemporary creations and more edgy styles. Under the creative direction of Cadwallader, the world of Mugler is a laboratory transformation and represents a forward-thinking and disruptive approach to Luxury (L'Oréal Portugal, 2021).

Besides fashion, Mugler has built up a very strong presence in the fragrance industry in the last thirty years (L'Oréal Portugal, 2021). The brand still capitalizes on the myth of Thierr Mugler and sells fragrances with great success. The perfumes are Mugler's primary source of revenue in Portugal (L'Oréal Portugal, 2021), which can be clearly seen in Appendix 4.

Regarding the fragrances, the portfolio relies on women's and men's products (Appendix 5). Starting with the feminine fragrances, it is composed by Angel, Alien, Aura, Angel Muse, Womanity, and Innocent (Mugler, 2021). The men's fragrances include Alien men and A*men (Mugler, 2021). Additionally to the perfumes, complementary products like body lotions, shower gels, body exfoliants, hair mists, roll-on deodorants, and candles from the different lines

supplement the portfolio. The best-seller of the brand Angel (Mugler, 2021) covers together with Alien 80% of Mugler's business in Portugal (L'Oréal Portugal, 2021).

2.3.2 Mugler Loyalty Model

2.3.2.1 Classical Fragrance High-End Model vs. Mugler Fragrance Loyalty Model

Mugler's fragrance model differs in many areas from those of a classical and traditional fragrance high-end model. Compared to a conventional brand-centric model, Mugler focuses on the consumer and creates loyalty between the brand and the consumer. The loyalty model of Mugler is not intended to recruit new consumers but rather to keep existing consumers loyal to the brand and the perfume used. Furthermore, instead of communicating in a distanced way, such as in a classical fragrance high-end model, Mugler attempts to create proximity (L'Oréal Portugal, 2021). A detailed illustration of how Mugler's loyalty model differs from others can be found in Appendix 6. The specific loyalty model enables Mugler to stand out from its competitors. Mugler reaches its loyal clients through the refilling concept, which the Mugler Fountain and Refill Bottles represent, Mugler's complementary products (shower gels, body lotions, deodorants, candles etc.) and its loyalty program, the "Mugler Circle" (L'Oréal Portugal, 2021).

2.3.2.2 Refill Concept

Mugler's fragrance bottles are made of high-quality materials and require an expensive finishing process, which gives them a high artistic value (L'Oréal Portugal, 2021). Thus, the Mugler Fountain was created in 1992 to enable Mugler's clients to refill the perfumes in-store and make the fragrances last forever. Nowadays, the fragrances Angel, Alien, and Aura can be filled at the Mugler Fountain. Today, 10.500 Fountains are displayed worldwide offline channels, attracting one person to it every 25 seconds (L'Oréal Portugal, 2021). The second pillar of the refill concept is the refill bottles distributed through online and offline channels and are available for additional fragrance lines such as Angel Nova, Womanity, and A-men (Mugler, 2021).

Since its first fragrance creation, Mugler has committed to a sustainable vision, making the brand's business model long-lasting and accessible. Until now, the company has already saved 1.4 million bottles and 383 tons of glass (Mugler, 2021).

2.3.2.3 Mugler Circle

Mugler founded its loyalty program, the "Mugler Circle," with the objectives of putting the client first and turning consumers into loyal clients by making them passionate about the Mugler universe. A new client gets access to the membership by registering the unique code on its official website Mugler.com, which can be found inside Mugler's products' packaging. Besides, refill receipts can be uploaded to the account. The membership includes a newsletter, the Circle magazine, promotions, free samples, and an occasional surprise gift. Samples and gifts are directly sent to the client's address that is registered on the website. In the Mugler Circle, consumers who share their passion for the world of Mugler can elevate their relation and proximity with the brand (L'Oréal Portugal, 2021). Even if an indication of the Mugler Circle can be found on the packaging of Mugler's products available in Portugal, the registration to the Mugler Circle is not possible as a Portuguese client. Currently, registration is only available in France, Italy, Spain, Germany, Belgium, Switzerland, the Netherlands, England, Canada, and the United States (Mugler, 2021). Appendix 7 shows a cutout of the Mugler Circle section available on the Mugler.com website.

3 Addressing the Work Project Topic

3.1 Brand Challenge

L'Oréal has recently acquired the brand Mugler, which, as observed, has a different business model compared to other fragrance brands. Moreover, the brand's Portuguese distribution chan-

nels rely on retailers as intermediaries, as L'Oréal doesn't sell directly to the consumer. Therefore, it became necessary to understand better who the Mugler consumer in Portugal is, the brand's competitive landscape, and consequently, how to boost and reach the full potential of the unique value proposition of the brand loyalty touchpoints Mugler customer journey. To better address the challenge, two research questions have been defined.

RQ1: How to keep Mugler's loyal customers in an environment of decreased brand loyalty and increased touchpoints?

RQ2: How to leverage the differentiated CRM strategy of Mugler in the Portuguese retail landscape?

3.2 Methodology

The research for this project contained both primary and secondary data. Secondary data was mainly collected for gaining first information on the Portuguese fragrance market, the brand Mugler, and its competitors. Primary data was collected with the motivation of gathering a holistic understanding of the Mugler consumer and the competitive market landscape in Portugal. The preliminary data included qualitative data collection in the form of in-depth interviews, social media listening of Mugler and its competitors, and client mystery in Mugler's offline distribution channels.

Qualitative Interviews

For this project, a total number of 30 in-depth semi-structured interviews have been conducted. Social Media was used to find the target sample. Potential Mugler clients were identified on Mugler's official Facebook and Instagram pages and on retailers' social media channels and were contacted on its social media messengers. Furthermore, potential Mugler users were searched through publications on the researchers' personal Instagram accounts through Instagram stories. The snowball effect was then used to find additional interview participants. After

identifying potential Mugler clients, a pre-recruiting questionnaire was sent to filter them as participants for the interviews (Appendix 8 & 9). Table 2 presents the sample and its criteria of 30 Portuguese Mugler consumers that participated in the interviews.

Interviewees Age Range	Number of Women (30 in Total)	Consumer Segment	Years using Mugler	District	Fragrance Line	Sampling Criteria				
< 25 years old	18	Loyal	6	0-2 years	9	Area of Lisbon	10	<ol style="list-style-type: none"> 1. Portuguese or living in Portugal for the past 5 years. 2. Have purchased a fragrance for themselves in the last 3 years in Portugal. 3. Know Mugler and at least one other luxury brand. 4. Have purchased Mugler and at least one other luxury brand. 		
		Specialist	10	3-5 years	3	Outside of Lisbon	8			
		Explorer	2	6-10 years	5		Alien		13	
					> 11 years	1				
26-45 years old	5	Loyal	3	0-2 years	3	Area of Lisbon	4		Angel	4
		Specialist	1	3-5 years		Outside of Lisbon	1		Alien	1
		Explorer	1	6-10 years	1					
					> 11 years	1				
> 46 years old	7	Loyal	4	0-2 years	1	Area of Lisbon	4		Angel	5
		Specialist		3-5 years		Outside of Lisbon	3		Alien	2
		Explorer	3	6-10 years	1					
					> 11 years	5				

Table 2: In-depth Interviews Data Collection

The Interviews were scheduled for one hour and, due to safety regulations in the context of the Covid-19 pandemic, were conducted entirely virtually. An interview guide was developed as preparation and served as the basis for each conversation (Appendix 10). The interview guide was tested in advance on three European Mugler clients. The interviews were all recorded, transcribed and additional interpretation on non-verbal communication was included. For data analysis, a topic analysis grid was used to structure the interview's content by interview guide topics in an excel file. The interviews were thus analyzed through each subject, and the frequency of similar answers was retrieved.

Social Media Listening

The objective of the Social Media Listening was to discover the general opinion about Mugler's fragrances, its communication style, and the respective competitors in Portugal. Therefore, different Social Media channels as Instagram, Facebook, and Tiktok were analyzed, as well as

Forums and the comments of perfumes on different E-retailer websites as Sephora, Perfumes & Companhia, and Douglas. Appendix 11 shows the grid that was used for that purpose.

Dates of Data collection	Social Media Channel	Brands	Method
13-24.10.21	Instagram	Mugler Chanel Carolina Herrera Georgio Armani Dolce & Gabbana Hugo Boss Dior Paco Rabanne Yves Saint Laurent Lancôme Calvin Klein	1. Discover the general opinion about the brand and its fragrances through the identification of Portuguese comments 2. Discover the communication style of the brand through analysis of pictures, comments and number of likes and followers, what kind of content is published and the focus on fragrances
	Facebook		
	Tiktok		
	Forums		
	E-retailer websites		

Table 3: Social Media Listening Data Collection

Mystery Client

The Mystery Client investigated Mugler's offline channels in two different scenarios. In both scenarios, it was asked for suggestions for a new perfume. In scenario 1 it was pretended to be a Yves Saint Laurent consumer using Black Optium, a perfume that has shared attributes with Mugler's perfumes. In scenario 2 it was pretended to be a Mugler consumer, using Alien or Angel. In both cases, the Beauty advisor's reaction and advice were captured. In the case of being recommended a different perfume than Mugler, the BAs were asked for their opinion on Mugler to test their expertise. In a next step, the functioning of the refill concept and the knowledge of BAs were analyzed. The Myster Client Grid can be found in Appendix 12.

Dates of Data collection	Distribution Channel	Number of visits	Store Selection Criteria	Method
13-24.10.21	Perfumes & Companhia	4	Every store visited sells Mugler fragrances and other luxury fragrance brands	Visit perfumeries and mention a preference for intense fragrances. Posteriorly, request suggestions for a new perfume. BA's reaction and recommendations were captured.
	Sephora	3		
	Douglas	3		
	El Corte Inglés	1		

Table 4: Mystery Shopper Data Collection

3.3 Research Insights

3.3.1 Mugler Consumer Segments

After analyzing the data collected from the different resources of information, the group concluded that the sample of Portuguese Mugler consumers could be organized into three segments regarding their relationship with perfumes: the loyal, the specialist, and the explorer. Posteriorly, each segment is going to be presented and precisely analyzed.

3.3.1.1 The Loyal Segment

The loyal type of consumer is **characterized** by its high level of loyalty and appreciation intensity. This segment values when others associate the fragrance with them and, for that reason, tend to have a very emotional relationship with it. This is why the favorite perfume is perceived as too personal to share. The aroma needs to be powerful enough to reflect their personality, become part of the routine, and be included in daily hygiene practices. The strong relationship loyal consumers have with the fragrances they use is uncommon in the personal care category. Even if it's recurrent that they have just one favorite perfume, some admit that it's too special to use in every situation. The loyal consumers might collect scents but are devoted to one or a set of preferred perfumes that they choose regarding the occasion, mood, and season. The following quotes, withdrawn from the interviews conducted, express the charisma of the segment.

"I always use perfume. I don't leave the house without using it. If I forget it, I feel like I didn't brush my teeth, it is part of my routine."

(Age 52, uses Angel for 15 years, consumer segment: "Loyal")

"For me, perfumes are really important. I think they reflect also a bit of my personality. It's important for me, that people, by smelling my perfume, remember me and associate it with me."

(Age 22, uses Alien for 4 years, consumer segment: "Loyal")

"The one I really feel good and identify myself with is the angel. Even if I have more, I always come back to the same one."

(Age 53, uses Angel for 15 years, consumer segment: "Loyal")

The **most appreciated attributes** in the fragrance category were the durability, the intensity of the distinctive aroma, the strongness, often referred to as the capacity of "leaving a track," and the sweetness. Analyzing the sample collected, it is also important to mention that the product's price was mentioned only once by the loyal consumer. Furthermore, the sample was questioned about the importance of brands. The majority consider that the scent is the main factor when choosing a perfume instead of the brand. However, a few members of the loyal segment confessed that the brand tends to impact their choices because it makes it easier to recognize the products and raises their expectations.

Focusing now on the **relationship with Mugler**, the brand itself does not have an impact when choosing a fragrance. Actually, the more significant part did not know the brand Mugler when they first started to use one of the fragrances. Even now, being loyal to it, they are not familiarized with Mugler, only interested in the specific perfume they are using. Only 2 out of the 13 interviewees have more than one Mugler perfume (not just the different versions of the same scent). However, these two interviewees do not know the brand that is not perfume-related. They didn't mention the creator or fashion house when asked about Mugler. Herewith, the consumer is **loyal to Mugler's scent** and not to the brand. The interviewees are entirely engaged with Angel or Alien, being both unconventional in terms of fragrance and highly distinct from each other. It was rare that interviewees appreciated Alien and Angel simultaneously, and only two interviewees have both. Aura, the different fragrances displayed in the fountains, is rarely recognized. Thus, there's another piece of evidence that the loyal client is devoted to the scent since they don't tend to consider other fragrances of the brand.

Focusing on the **loyalty model of Mugler**, the majority of the loyal segment mentioned the fountains. However, only an inconsiderable minority knows about the existence of the refill bottles. Nevertheless, the opinion is unanimous: there is a positive attitude towards the refill system. The main reasons mentioned are that it is less expensive and environmentally friendly. Regarding the complementary products presented by the brand, including body cream, shower gel, or candles, they are not successful among the loyal Mugler consumers. Only two of the loyal consumers have purchased the complementary products for themselves. The main reason is that they prefer products from brands that focus on the skin. Some mentioned they are interested or liked the experience but are unwilling to spend a significant amount on it and would only consider using them if offered as a gift.

As expected, the loyal segment is the one with the highest interest in the **Mugler Circle**. All "Loyals" were interested and were expressing enthusiasm for receiving the latest news about the brand and the advantages offered by the loyalty program. However, one person admitted that the only reason for the interest in the circle would be the discounts.

As the "Loyals" represent the segment on which Mugler must be sure to attach them in the future, and as this means the main focus of the research, their **consumer decision journey** will be analyzed in more detail. An illustration of McKinsey's Consumer Decision Journey can be found in Appendix 13.

Consideration stage: The enchantment for the fragrances of the brand Mugler, which is not so well-known among them, usually began through samples or when someone smelled and asked the name of the fragrance, which then led to the purchase of the item. Even if it is less usual,

some loyal clients became aware of the perfume through gifting. Ultimately, they became interested in the aroma. The positive personal experience with the scent led the Mugler perfume to become part of the initial consideration set.

Active evaluation: The active assessment moment is characterized by judging the different perfumes that the loyal consumer selected in the previous stage. That step is not so crucial for the type of client that already has a set of scents and is willing to spend on that specific category since the client doesn't need to surrender from any product. Instead, the consumer will simply add another one of the perfumes to the "must-have in the house" set.

Moment of purchase: The moment of purchasing is when the final decision is made. That step is frequently influenced by current promotion in forces or other factors like convenience or availability. Even if the consumption of the item is not immediate, the purchase experience might affect the consumer opinion about the item.

Postpurchase experience: The postpurchase stage reflects the consumer experience and the level of appreciation. This phase is crucial for the image constructed about the perfume, being the trigger for the passionate relationship of the loyal consumer. The loyal consumer is then caught into the loyalty loop once bonded with the fragrance. Therefore, the perfume will be repurchased in the future since the "Loyal" has automatically experienced a need of possessing this aroma permanently, even if it is part of a set of fragrances. Some other perfumes by other brands were mentioned during the interviews, including Good Girl by Carolina Herrera, Black Opium by Yves Saint Laurent, and Light Blue by D&G. These aromas were also the most recommended by Beauty Advisors in the mystery shopper.

Loyalty loop: Once the loyal finishes the fragrance, the initial stages of the Consumer Decision Journey are missed, starting directly at the moment of purchase, without considering other scents. The Mugler loyalty model, which is based on the refill concept, is an additional reason for creating and maintaining the loyalty relationship. The usage of the fountains is the main

reason for the loyal to have a preference for the in-store experience. At the moment of purchase, the consumer goes to the store, intending to refill the bottle.

When this segment mentions loyalty, it is essential to note that it's always referred to a specific fragrance, not to the brand used, considering that only one of the loyal interviewees considered and purchased another Mugler perfume. The positive brand image is based mainly on the particular scent used, and, occasionally, it includes different versions of the same fragrance.

3.3.1.2 The Specialist Segment

As the second consumer type, the specialist was defined. Its deep knowledge about fragrances is what **characterizes** this type of consumer. This segment chooses the scent depending on the occasion, mood, and season. The specialists know very well what bouquet of aromas they want and are attracted by sweet, oriental, and sometimes fruity notes. However, they might only use a sweet smell with oriental notes during summer and decide on a woodier and herb scent for the colder seasons.

The most **appreciated attributes** in the category, referred to during the interviews, were the durability, the intensity of the distinctive aroma, and the strongness. The specialists are experts in the field of fragrances and can express their preferences very well. The following two quotes, withdrawn from the interviews conducted, express the charisma of the specialist group.

"In the summertime, I love sweeter and lighter ones, and in the winter, I like stronger, more intense, and more woody ones. I am looking for that when choosing a fragrance."

(Age 24, used Angel for 4 years, consumer segment: "Specialist")

"I use fragrances depending on my mood and depending on the occasion. When I go out for dinner with my girls, I will use a stronger and intense one. When I am going to work, I will wear my everyday scent, and when I am having a date with a man, I will use a more romantic one."

(Age 23, uses Angel for 10 years, consumer segment: "Specialist")

By analyzing the sample collected, it is also important to mention that this group already has a set of favorite fragrances. When buying a new perfume, the specialists have this set in mind and do not try any unknown scents from new brands during the store visit. However, the specialists are still open to a new perfume if recommended by word of mouth or given as a gift. Provided the scent is composed of sweet and oriental elements. If this fragrance convinces the specialists, it will be included in the set of favorite scents.

As already mentioned, the season is one of the **factors on which the choice** of a perfume depends, and therefore not only the intensity, also the brand of the perfume changes with the season. The set of favorite fragrances for the day includes Good Girl by Carolina Herrera, La vie est belle by Lancôme, Candy by Prada, and Chloé by Chloé. For evenings, the specialists choose besides Alien or Angel by Mugler, Opium by YSL, or Coco Chanel Mademoiselle by Chanel. The specialists often prefer a lighter fragrance in summer and reach for Light Blue by Dolce & Gabbana. Whereas in winter, this group is attracted by more intense perfumes, and therefore, in addition to fragrances by Mugler, prefers Gabrielle by Chanel, Crystalline by Bvlgari, or Wood Sage & Sea Salt Cologne by Jo Malone.

However, it is crucial to mention that the specialists are entirely loyal to the scent itself and not to the brand. This type of consumer is loyal to a **kind of fragrance** with similar notes.

Focusing on the **relationship with Mugler**, the specialists became aware of the brand through the scent itself or gifting. The specialists consider the scent as the main factor for choosing a fragrance from Mugler, not the brand. This type of consumer is loyal to the smell of Mugler's fragrances instead of Mugler as a brand. This is also reflected in the fact that the interviewees were not familiarized with Mugler. Only very few of this segment know about the creator, the fashion house, or the brand's vision.

Nevertheless, the specialists clearly perceive Mugler through the fragrances and associate the brand with a strong, powerful, extravagant, and intense personality. Regarding the scents of Mugler, the specialists prefer Angel and Alien. However, the interviewees are only attracted and engaged with either one of those two fragrances and do not use both scents. The respondents in the segment who often use Alien wear it during the day or on summer nights. Whereas people in the segment who use Angel wear it during the winter or in the evening for a special occasion because of its strength. The strength of the perfume has also led to the fact that some people do not use the scent anymore or get tired of the smell.

It can be inferred that Alien and Angel are both included in the set of favorite fragrances of the specialists. But unlike the loyal consumer type, the specialists are slightly less loyal to the scents of Mugler.

3.3.1.3 The Explorer Segment

The explorer segment is **characterized** by its nature of permanently changing from one perfume to another. This segment likes to try new fragrances and is always open to change. That makes the explorers being easily attracted to a new scent. Buying a new fragrance is often a spontaneous decision directly made at the sale point.

"I fall in love with new perfumes and then I buy it."

(Age 48, used Angel 10 years, consumer segment: "Explorer")

The explorers are not experts in the perfume field and cannot express their preferences in detail. Therefore, it was impossible to identify a scheme of fragrances that explorers generally value. The explorers are looking for perfumes that **attract attention** from others. They highly value when others ask them which fragrance they are using. Moreover, the circle of brands they will discover in-store is pre-defined and has an essential impact on the consideration stage. A positive brand image is significant as the explorers feel they will later be associated with it by others.

When they find one fragrance around the considered brands that are special, unique, and addictive, they decide to buy it in-store.

"The perfume is a huge mark, makes people stare and notice me when I go to places, for that, it needs to be good."

(Age 48, used Angel 10 years, consumer segment: "Explorer")

However, they will get used to their new fragrance after some time. That's why the explorers don't use the same scent for a long time. They are apprehensive of not attracting attention anymore. Consequently, they never feel attached or loyal to any brands. They are always on the research for a new and better fragrance. As they permanently switch perfumes, they tend to collect them and have many different scents at home. In the phase where the enthusiasm about the new fragrance fades away, they turn their attention back to their available collection. The explorers then like to try out different perfumes, depending on their mood, before a new smell attracts their attention.

"I fall in love with perfumes & start to buy it, always changing. Sometimes I'm a little constant use for 1 year or 2. But then, there is something that caught my attention in another one."

(Age 48, used Angel 10 years, consumer segment: "Explorer")

"Normally I have some perfumes in my house, use it depending on my mood."

(Age 55, uses Angel for 24 years, consumer segment: "Explorer")

For 3 out of the 6 identified explorers in the sample, **Mugler** is still part of the set of fragrances they have collected over time and are occasionally using. The other three explorers have eliminated Mugler from this collection because they have entirely lost their attachment to the fragrance. It can also be stated that those explorers that discovered Mugler through gifting were not using it anymore. However, if Mugler had been found through the scent itself, it became part of their collection.

Mugler is among other perfumes that the explorers collect over time. They may use it occasionally but never feel attached to it. The attention of the explorers is high when discovering Angel/Alien, but it will soon fade away. There is no loyalty to the fragrances as the explorers are always looking for a new and better scent that attracts attention from others.

3.3.2 Relationship with Mugler

Having analyzed the identified three consumer segments, the relationship of the original sample of 30 Mugler consumers to Mugler will now be further analyzed.

To start with, the connection of the majority sample to the brand Mugler is entirely limited to the fragrance. The majority of the sample began by affirming, "I know nothing about Mugler, only that it sells perfumes" when asked what they knew about the brand. Additionally, it is essential to refer to the fact that the level of loyalty is not directly connected to the level of knowledge about the brand. Only five out of the thirty consumers are familiarized with the reality that it is a fashion house and that the name Mugler states for a designer. Only 4 people were able to characterize Mugler's pieces or discuss its vision. As we can understand from the following quote stated by an interviewee, the Mugler client is certainly not loyal to the brand Mugler since they do not have a superior level of knowledge about the brand.

"Don't know anything about it, only that they have more perfumes, but I only like the purple one."

(Age 25, uses Alien for 7 years, consumer segment: "Specialist")

The majority confirmed that the brands do not tend to impact their choices. Mugler clients not only choose according to the fragrance, but they also keep using Mugler products according to the scent. Therefore, they present an elevated level of intimacy regarding their relationship with the perfume used, and the brand comes afterward, being the brand image a consequence of that judgment. Even if other brands might take advantage of the brand reputation to recruit new clients, being only able to make them loyal through the scent, in Mugler's case, the smell is the

principal factor that leads to the recruitment and, simultaneously, builds the dedicated connection.

The way that Mugler's fragrances clients perceive the brand is entirely impacted by the feeling they have about the perfume. When asked about their opinion about the brand, the interviewees referred to how they feel about the fragrances they use. Consequently, the brand is recognized as the scent is perceived. Therefore, the relationship is instead with the brand, with the fragrance.

The brand was characterized as being special, exuberant, intense, impactful, extravagant, and powerful. Even though Mugler consumers tendentially are not familiar with the brand concept, primary research demonstrated that Mugler clients experience the brand as the identity is expressed. They get to know the brand without actually knowing it. Due to the fact, that the two fragrances are so aligned with the identity of the brand, the brand image matches the brand identity of the fashion house. The ability to transport the brand culture to the perfumes is notorious.

3.3.3 Drivers of Loyalty

Besides the three segments and the relationship to Mugler, further key findings of the interview data collection will be analyzed along with the four drivers of loyalty for the brand Mugler. The drivers of loyalty consist of Mugler's fragrances' scent, the refill concept including the fountain and the refill bottles, the complementary products, and the Mugler Circle.

3.3.3.1 Scent

Based on the interviews conducted, Mugler's fragrances' scent was identified as the primary driver of loyalty for a consumer of Mugler. From the interviews, it becomes clear that the Mugler consumers are loyal to the scent of the fragrances and not to the brand Mugler itself. By refining and overdosing on exquisite ingredients, Mugler manages to create highly long-

lasting, sensual, and extraordinary fragrances with high intensity. In addition, most interviewees named the distinctive oriental scent combined with a sweet note as one of the main appreciated attributes.

Furthermore, through the interviews, it was also possible to identify the main differences between the two best-selling fragrances Angel and Alien. The interviewed person describes the scent of Angel as very special, extraordinary, and strong. However, for some of the interviewees, the smell of Angel is even too strong. The oriental Angel fragrance is combined with sweet notes of chocolate, honey, caramel, cotton, and sandalwood. As the scent is more substantial, it's ideal for wearing it in the evening and for the winter season.

In addition, for the interviewees, the scent of Angel tends to be preconceived as more familiar than the second fragrance, best-seller Alien. According to the interviews, people associate Alien as more mysterious and distanced. Furthermore, the oriental scent of cashmere wood and jasmine complemented by a spicy note was often named as a fascinating and mysterious femininity. Finally, interviewed people described the scent of Alien as unique, intense, and ideal for summer nights and the winter season.

3.3.3.2 Refill Concept

Interview Insights

The second driver of loyalty is the refill concept, which consists of the Fountain and the refill bottles. It was asked to what extent the interviewed people were aware of the concept and to what extent the different components were used. Based on the conducted interviews, the refill concept is known by 22 out of 30 interviewees. Only a few of the respondents had not heard about the refilling function yet. However, it can be clearly seen from the interviews that the Mugler Fountain is much more known than the refill bottles. 21 out of 30 of the interviewees

were not aware of the refill bottles Mugler is offering. In addition to the awareness of the concept, it was found that two-thirds of the respondents are using or have used the Fountain. Moreover, only 2 out of 30 are using or have used the refill bottles.

Furthermore, interviewees who are already using or have used the Fountain were asked about their experiences with it. The majority have described their experience of the refill process as not valuable. The interviewed persons have told that at most retailers, the Mugler Fountain is positioned away from the shelves behind the counter and is often not visible to the consumer. From this, it can be concluded that consumers do not see the process as an exciting or luxurious experience.

Finally, the interviews clearly show the positive perceptions and thoughts about the refill concept. During the interviews, the benefits for the environment, the focus on sustainability, the attractive price, and the visionary innovation were frequently mentioned as the main reasons.

"Also the brand itself and the designer is very visionary, so it doesn't surprise me that he thought so early about sustainability, ahead of the others. It's really inspiring."

(Age 21, uses Angel for 2 months, consumer segment: "Specialist")

"I refilled Angel already several times. I like it because its not so expensive and it's sustainable."

(Age 23, uses Angel for 13 years, consumer segment: "Loyal")

Therefore, consumers clearly distinguish Mugler from competitors. However, it can also be stated that the interviewees are more enthusiastic about the Fountain than the refill bottles. In the interviewees' eyes, the bottles do not reflect the sustainable and pioneering idea of the brand Mugler. In addition, a few people are reluctant to invest in refill bottles because they add packaging and create waste.

Myster Shopping Insights

In addition to the interviews, data was collected from the mystery client through four Perfumes & Companhia stores, three Sephora stores, two Douglas stores, and one El Corte Inglés. The mystery client research confirms what has already been said in the interviews. The fountains have a very discrete presence in stores or are not visible for consumers. The fountains are behind the counter at Perfumes & Companhia and Douglas, and not visible at all at Sephora. The only store where the Fountain is clearly visible and included in the product range is El Corte Inglés (Appendix 14). At El Corte Inglés, the Fountain is presented together with the refill bottles on the shelf. The refill bottles are represented in all eleven stores, but the bottles are unpacked which makes it difficult for the consumer to recognize them at first glance.

Furthermore, the mystery client research has shown that beauty advisors only talk about the brand Mugler and its Fountain when asked. However, the beauty advisors don't mention the refill bottles, even when asked about the refill concept.

Social Media Listening

Another key fact to mention about the refill concept emerges from social media listening. Mugler inspires consumers on its social media channels Instagram, Facebook, TikTok, and Youtube with a very aesthetic visual language. However, the brand focuses more on fashion with bold pictures showing extravagant, feminine, and sensual designs. The communication of Mugler includes mystical and artistic images of the different fragrances, but the brand doesn't show any pictures or videos of the refill concept. Neither the fountain nor the refill bottles are mentioned or seen on the channels.

3.3.3.3 Complementary Products

From the entire sample of Mugler consumers, nine used complementary products in the past, and only four were using them at the time of the interview. The product mentioned the most

was the body cream, followed by the shower gel. The hair spray and candle were mentioned only once. Consequently, 18 out of 30, the large majority never used the complementary products, making it again visible that Mugler consumers are highly concentrated on the scent itself. During the interviews, complementary products were never mentioned by the interviewees. Instead, they were asked later based on images.

Several positive and negative aspects can be highlighted that underline the opinion of Mugler consumers on complementary products.

Firstly, interviewees appreciate the concept of using additional products that have the same smell as their fragrance, as a mixture of scents is not pleasantly perceived.

"I like the concept of having the same fragrance for like every product that a woman needs, perfume, showergel and body cream."

(Age 23, uses Alien for 2 years, consumer segment: "Specialist")

Secondly, the perfumed products were perceived as being less intense. It allows the consumer to select the very appreciated fragrance for a casual event, avoiding the high level of intensity of the perfume. However, this characteristic might be prejudicial for the consumer that is interested in intensity.

"Yes I am using the body milk as well. If I don't use the perfume, I use the body milk which is not that strong. Sometimes in the evening I like to put the perfume and during the day the body milk. And when I want to make it stronger I add the perfume."

(Age 56, uses Angel for 8 years, consumer segment: "Loyal")

On the other hand, the main reason for rejecting Mugler's complementary products is the loyalty to body care from pharmaceutical brands as La Roche Posay and Uriage. They are perceived as being effective and good to the skin. Besides, especially the absence of scent and the good ingredients are valued.

"I have used in the past the cream and shower gel, never tried the deodorant. However I have sensitive skin and now I prefer to choose other products more focused on that."

(Age 22, uses Alien for 10 years, consumer segment: "Loyal")

Secondly, this attitude is being reinforced because the pricing of Mugler's complementary products is perceived as being very high compared to pharmaceutical brands, which could be confirmed (Appendix 15).

The trend of opting for more scent-free, natural, and organic products is present in skin and body care (da Silveira, 2020) but is not impacting the choice of fragrances (yet). That is why some Mugler consumers are loyal to the fragrances but do not consider buying complementary products. They are already dedicated to pharmaceutical brands.

With a view to the future, it can therefore be stated that only the candles, being a product outside the body-and skin-care category, have the potential for Mugler as the shift in consumer behavior does not impact it. Gifting boxes containing other complementary products present a lower potential since the consumer wouldn't repurchase the products for the before identified reasons. Currently, the complementary products make up a large space on shelves, making them highly visible in stores. Here it could be stated that this space could be used more advantageously.

3.3.3.4 Mugler Circle

As previously identified, registration for the Mugler Circle as a Portuguese Mugler consumer is currently unavailable, whereby, as suspected, no awareness could be detected among the sample.

After a short presentation of the Mugler Circle, the reaction of the interviewees was observed. As a result, 22 out of 30, the large majority reacted with enthusiasm and would be interested in being part of a restricted and exclusive club of women. It must be noted here that those 22 Mugler consumers were "Loyals" and "Specialists."

"I think it's very interesting to get to know the new products."

(Age 52, uses Angel for 15 years, consumer segment: "Loyal")

"I would give my information and try. Since I use it for so long it would be good to have this little gifts and to keep up with the new and something that may be interesting."

(Age 22, uses Alien for 10 years, consumer segment: "Loyal")

"I think it would be a restricted club, very interesting. We understand that the brand wouldn't bomb with uninteresting information. There would be a screening, focusing on the things that matter, because there are a lot of loyal people to that ranges."

(Age 53, uses Angel for 20 years, consumer segment: "Loyal")

Different aspects of the Mugler circle were positively received in the following order of preference. First the reception of news about new launches, then samples and discounts, as well as small gifts after each purchase or refill. Newsletters were perceived as least engaging and overwhelming.

"No, my email has a lot of emails. I don't go there 2 days and have 400 mails to delete. Has the opposite effect. In my case it's like that . It stresses me . And I never have an important email, it really bothers me."

(Age 50, uses Angel for 24 years, consumer segment: "Explorer")

To conclude it can be stated that a loyalty program has definitely potential to engage Portuguese Mugler clients and attach them further to the brand.

4 Implications for Individual Reports

Out of the four main drivers of loyalty to Mugler, the most critical driver is the fragrance of the perfume and not the brand Mugler itself, since most of the sample presented a low level of knowledge about the brand. As a result, Mugler is perceived solely through the perfumes. One individual part will thus analyze the research question of "What role should be given to the brand in the fragrance market: What should be the ideal brand architecture?"

Another driver is the Mugler Fountain, which generally receives a lot of positive feedback due to its pricing and environmental aspects. However, it can be concluded that the full potential of the refill concept has not yet been realized, as it is not perceived as a valuable experience.

Another individual part will then focus on “How to enhance the refill value proposition of Mugler’s loyalty model in Portugal?”.

Another driver is the complementary products, which are not appreciated or valued by most consumers, thus having no promising potential in the future. The main reason here is the existing loyalty to pharmaceutical brands.

The last driver considered by the brand is the loyalty program “Mugler Circle,” which has great potential but has not been implemented in Portugal so far and therefore has not received any attention. Consequently, another individual part of this thesis will answer the research question of “How to establish a direct relationship through a loyalty program with the Mugler consumer in Portugal, taking into account the retail landscape”.

5 Project Limitations

The validity of the insights collected is threatened by several limitations that should be considered.

Firstly, the limitations associated with the random sample that was accepted to participate in the interviewees and the restricted sample size. It is impossible to guarantee that all the demographic and behavior profiles are equally included. Since most of the interviewees are part of the member's network, some groups are overrepresented in terms of age, geography, and levels of education. Different ages, lifestyles, purchasing power, and geographic locations might impact the loyalty level and client's relationship with the category. Additionally, the sample size of 30 can't represent the population due to the limited diversity. Furthermore, the current pandemic precludes the presential interviewees, complicating the interviewees' absorption of any body language and fluidity due to technical difficulties.

The mystery shopper procedure was only conducted in 11 stores, all of them located in the geographical area of Lisbon. Additionally, observations took place in 2 weeks. The promotions

in force and the Beauty Advisors' sales objectives for each brand in that period influence the recommendations and store disposition. Focusing on social media listening, the absence of Portuguese pages and forums reduced the possibility to gather relevant information for the analyses. Considering different methodologies, a quantitative research method was not used in this project. In the future, it would be valuable to conduct a numerical study. The quantification of responses would be beneficial to obtain new insights and connect them with the previous findings.

Lastly, limited access to data hindered the conclusion of more accurate understandings. For example, information such as perfumes market shares, Mugler's portfolio number of sales, and Mugler Circle data would have been beneficial.

Individual Project

6 Project Purpose and General Overview

The Mugler Circle, the loyalty program of the brand, is one of the loyalty drivers that were considered by Mugler Portugal. Prior primary research showed that the Mugler Circle has not reached its potential, as it hasn't been introduced in Portugal yet. Only when the potential of this loyalty driver is achieved, can the brand Mugler create long-lasting relationships with its Portuguese consumers.

Therefore, this individual part will answer the research question of “how to establish a direct relationship with the Mugler consumer through a loyalty program, taking into account the retail landscape”.

The aim is to elaborate a set of recommendations that will help Mugler Portugal to achieve the full potential of the Mugler Circle to be realized in Portugal. This analysis will finally contribute to answer the global research question of “how to boost and reach the full potential of Mugler's perfumes brand loyalty”.

7 Contextual Background on Customer Relationship Management and Loyalty Programs

7.1 Loyalty Programs in the context of Customer Relationship Management

Brands have for long been measuring consumers on the value of their individual transactions, thus a sales-driven approach with a focus on recruitment. Since the beginning of the 2000, this approach has been further developed into a relational scheme, underlining the benefits of “life-long customer value”, shifting from a product-centric to a more rewarding and advantageous customer-centric approach. This is where the term of customer-relationship management (CRM) emerged which can be defined as “a philosophy or approach, encompassing people, technology, tools, processes and activities (...) with the primary purpose (...) to help firms

understand their customers better, to build relationships with them, and to ensure customer retention and therefore, profitability” (Tetteh, 2021). CRM sees consumers as valuable assets that are controllable and therefore manages the lifetime connection with them.

Kapferer et al., 2009 have been examining the reasons for the shift to a more consumer-centric approach. According to them, this change was set in motion as brands were noticing that consumers were becoming a scarcity due to decreasing brand loyalty on the one hand and increasing and more complex competition on the other hand. In addition, consumers were starting to spread their spending across a rising number of brands. Consequently brands were competing for their “share of wallet” or market share and wanted to retain their consumers through the creation of long-lasting relationships. Nowadays, brands are aware of the importance of consumer retention and the need for consumer loyalty (Kapferer et al., 2009).

Moreover, the authors underline that in the specific case of luxury brands, it is just not sufficient to rely on their positive brand image. It is the exclusivity and specificity in CRM of luxury brands that will make the customer relationship stronger. Even if luxury brands are often copying the techniques of mass-market brands, it is the execution that differentiates. It is essential to mention that Luxury CRM is thus also an instrument to establish brand identity and equity (Kapferer et al., 2009).

Loyalty programs are defined as “marketing programs designed to build consumer loyalty” (Curatman et al., 2020, p.3) as well as repeat buying and switching costs by “providing economical, hedonist, informational, functional, and sociological or relational rewards” (Meyer-Waarden et al., 2013, p.203). When there is evidence of loyalty due to purchase frequency or a certain purchase value, incentives are offered. According to Meyer-Waarden et al., 2013 those

incentives can be categorized in economical rewards and monetary savings such as price reductions or vouchers, convenience as for instance purchase facilitation or reduced purchasing time and informational rewards as for example early exploration of new product launches (Meyer-Waarden et al., 2013, p.203f).

Personalized CRM allows (luxury) brands to address the challenge of consumer retention. Loyalty programs are a tool in the field of CRM to build consumer loyalty by providing different kinds of rewards. Brands that are successful in making their consumers feel like they are part of an exclusive club as part of a loyalty program can build brand ambassadors or even make them recruit new consumers.

7.2 GDPR regulations and implications for retailers and brands

To measure the success of CRM it is essential for brands to know which marketing activities appealed to or reached the consumer. This implies tracking of consumer behaviour which then allows to receive feedback on current campaigns and to make adaptations and derive future marketing actions. CRM is thus often referred to be a tool to collect consumer data and to refer personalised one-to-one marketing actions out of it.

As technological advancement has led to growth of data and data breaches at the same time, regulators identified the need for consumers to increase their control over their generated data (Aridor et al., 2021). The introduction of the General Data Protection Regulation (GDPR) 2016/679 in May 2018 has made it more challenging for brands to measure consumer behaviour (Intersoft Consulting, 2021).

Companies, in the context of GDPR, can't keep or use any personal data unless the users have given their consent to do so. Then, if information is collected and stored, the user needs to remain completely anonymous. The term anonymization means "complete stripping of identity

from personal data” (Privacy Policies, 2021). For instance an online profile can never be related to a physical person. The data then needs to be held for the shortest amount of time possible. Once the data becomes unnecessary, it must be deleted (Privacy Policies, 2021).

GDPR makes a differentiation between “controllers” and “processors” of personal data. According to BDO, “Controllers determine data processing goals and make decisions on how personal data will be used, while Processors collect, store and process personal data based on instructions from the Controller” (BDO, 2021). Most of the times, retailers are both. In review of the connection between retailers and brands, brands are seen as relevant third parties that need to be included in the retailers GDPR compliance, in e-Commerce as well as in other digital operations.

As a result, GDPR does not allow brands to collect consumer information in store or on e-retailers websites as well as data exchanging between retailers and brands (Tryzens Group, 2019). In the practical case of marketing actions, brands can only ask for their targeted implementation to retailers, but they will never be included in the analysis or segmentation of consumer data (L’Oréal, 2021).

Companies need to be aware of which individuals are visiting their websites, apps or other digital channels, and what information is then collected. In most of the cases this information is personal data, meaning that companies must find a way to protect it. To comply with all GDPR regulations, companies need to inform their clients when, why and how their data is used. GDPR has also impacted the relationship between retailers and brands, where brands are seen as third parties and thus cannot collect data in retailer channels nor have access to the data. In this sense, brands need to go their own way, where they are viewed as collectors and processors themselves, and thus have access to their consumers' data while still complying with GDPR regulations.

7.3 Loyalty Programs in Portugal and Mugler's Circle

7.3.1 Shiseido Loyalty Card

Shiseido is a Japanese luxury cosmetic company founded in 1872 whose product categories comprise skin care, body care, hair care, fragrances and make-up (Shiseido, 2021).

The Shiseido loyalty program consists of a physical double-sided flyer that can be folded into a loyalty card (Appendix 16). Once a Shiseido product is purchased in Perfumes & Companhia, the Beauty Advisor (BA) will offer the consumer to take part in the loyalty program. The loyalty card is not laid out or visible to the consumer, making the success of the loyalty program highly depended on the communication of BAs in store. Besides, there is no communication about the loyalty program on either Shiseido or Perfumes & Companhia's websites in Portugal.

From the first purchase, the Shiseido consumer has one year to fill out the loyalty card by buying ten products. For every purchase, the barcodes of the products are pasted, the date, value and perfumery are noted. After having bought ten products, the gift the consumer receives depends on the total value of the ten products which can be allocated to one of the four levels of the loyalty card (Appendix 16).

The loyalty card will then be returned to the perfumery in which the loyalty program has been started or sent by mail to Shiseido Portugal. Only then the personal information of the consumer will be made available to the brand. During this one year the only touch points that the loyalty program has with the consumer however is entirely based on the physical perfumery. In view of the different categories of incentives, Shiseido is only focusing on economical rewards and monetary savings.

7.3.2 Lancôme “MyRewards” Loyalty Program

Lancôme is a luxury perfumes and cosmetics brand that was founded in 1935 in France and is like Mugler part of L’Oréal’s Luxe products division, offering skin care, make-up and fragrances (Lancôme, 2021a). Prior to the launch of the brand’s new loyalty program “MyRewards” in 2020, Lancôme was using a physical loyalty card system in its offline distribution channels. For every ten products bought, one gift was offered (Lancôme, 2021b). With the launch of MyRewards, Lancôme digitalized its loyalty program by developing an own website for it. The launch of MyRewards made it now possible for consumers to check their points anytime and from everywhere (Appendix 17), which was not possible with the approach of the physical card.

The Lancôme MyRewards loyalty program incentivizes its members in all three aspects.

First there is an incentive in the category of economical rewards. By uploading the invoices of Lancôme purchases made in selected perfumeries on the MyRewards website, points can be accumulated and then exchanged for a gift that can be chosen out of 70 gifts. For each € spent, the loyalty program member accumulates 10 points. In addition, the loyalty program offers additional ways of collection points for the loyalty program (Appendix 18). The more points are accumulated, the more advantages will be received when moving from the ROSE status, through the SILVER and reach the GOLD status. The statuses with its different advantages are further explained in Appendix 19.

7.3.3 Mugler’s Circle

The Mugler Circle is currently available in France, Italy, Spain, Germany, Belgium, Switzerland, United Kingdom, United States and Canada (Mugler, 2021). An account can be created by registering with an e-mail-address (Appendix 5).

On the Mugler Circle website (Appendix 21), members get incentivized in two aspects.

Economical rewards in form of gifts are given when uploading the refill receipts or the unique code that can be found on the inside of the packaging of all Mugler perfumes (Appendix 22). Both apply for purchases made in store and online. The member however can't choose the gift that is sent, it is a surprise. In addition, it is not displayed on the website when a gift is sent and the Mugler Circle is not following a point approach.

In view of informational rewards, the member gets access to the Circle Magazine (Appendix 23), which gives for instance insights into making-of videos of the fragrance campaigns. The Mugler Circle also holds a traditional biweekly newsletter that is very product focused and presents Mugler's products and its different stories.

8 Research Insights on the Mugler Circle

The following research insights were retrieved from secondary internet research, Mugler Portugal and further analysis of the interviews of 30 Portuguese Mugler consumers conducted in the group stage.

8.1 Challenges of Mugler Portugal's Distribution Model

Mugler's dependence on retailers. Mugler is not operating in a B2C model, as there is no store or own website in place, making the brand highly depended on its retailers, both online and offline. As previously analyzed, the GDPR regulations in Europe don't allow data exchanges between retailers and brands. Moreover, brands are not allowed to collect customer data in retailers' stores. Mugler thus never has access to consumer information. Marketing actions with direct buying incentive are collectively discussed and then executed by the retailers themselves.

8.2 Challenges and Opportunities for Mugler of implementing a Loyalty Program

Lack of resources. For Mugler, as a small and new brand in the portfolio of L'Oréal Portugal, implementing an own loyalty program without relying on retailers comes with several challenges. Until now, an own loyalty program has not been implemented in Portugal as the brand doesn't possess the critical mass to do so (L'Oréal, 2021). Moreover, there are no sufficient financial resources available (L'Oréal, 2021), followed by the fact that an own loyalty program would make the development of a logistic system necessary, as rewards as for instance gifts would need to be sent to the members' homes.

Fusion with Spain. L'Oréal Portugal is currently undergoing a period of change as it is joining L'Oréal Spain to build a cluster (L'Oréal, 2021). This might be an opportunity for Mugler Portugal, as Spain is the third most important market for Mugler in Europe (L'Oréal, 2021). The Spanish Mugler team has already implemented the Mugler Circle, thus has gained some valuable experience. Mugler Portugal could make use of the Spanish team's resources to implement the Mugler Circle in Portugal.

8.3 Interview Insights about the Mugler Circle

Lack of awareness in Portugal. Consistent with the findings that the Mugler Circle has not yet been launched by Mugler in Portugal, the interviews revealed that the loyalty program is unknown in Portugal. None of the respondents knew about it. There is an indication of the Mugler Circle on the packaging of all Mugler products in Portugal (Appendix 24) and fragrances even possess the unique code for the registration to the Mugler Circle. As the products are produced for all markets (L'Oréal, 2021), Portugal couldn't profit from it.

"I don't know anything about the Circle. But if there's a circle in Portugal, I would love to join. And if there are actions about the perfume or special codes, discounts, I would love to use it."

(Age 22, uses Angel for 3 years, consumer segment: "Loyal")

Interest in the loyalty program. It could be proven that 22 out of 30 interviewees were showing interest in the Mugler Circle. They could be assigned to the loyal and specialist segments. For Mugler consumers, the connection to the brand is entirely focused on the fragrances. Therefore, the way they received the loyalty program was again centered on the fragrances themselves. Particularly mentioned here was the interest in always being informed about new fragrance launches in advance and to receive advantages for the upcoming refill. The Mugler Circle, even if not implemented in Portugal yet, shows therefore great potential to further attach Mugler consumers to the fragrances.

“That’s so interesting! I think it would be a great opportunity to get to know the other fragrances of the brand and to always stay informed.”

(Age 52, uses Angel for 10 years, consumer segment: “Loyal”)

Exclusive club. During the interviews, interviewees were asked what their reasons for joining the Mugler Circle would be. One reason that particularly stood out was the idea of becoming part of an exclusive club of women. The large majority of loyals and specialists, 18 out of 24, expressed this pursuit of belonging. They want to further experience the fragrances’ environment and be part of a restricted “Mugler community”. The word "exclusive" was used several times, indicating that these women consider themselves an important part of this loyal community and like to be appreciated for it.

“I would love to be present in this exclusive group. I like those things. I think fragrances are such a personal thing that I might have a lot in common with those women. I would appreciate to get to know them!”

(Age 27, uses Angel for 2 years, consumer segment: “Loyal”)

Incentives and Rewards. With regard to the incentives, receiving information about new launches in advance, followed by the reception of samples and discounts, as well as small gifts after each purchase or refill were mentioned. Only newsletters were negatively perceived as they use to be little engaging and sometimes overwhelming, thus don’t add value to the loyalty program.

“I would give my information and try. Since I use it for so long it would be good to have this little gifts and to keep up with the new and something that may be interesting”

(Age 22, uses Angel for 10 years, consumer segment: “Loyal”)

Usability and Transparency. Respondents were asked to talk about their preferences regarding the usability of loyalty programs. 24 interviewees mentioned that simple and easy access are essential to keep using them over time. They value the possibility to access a loyalty program anytime and from everywhere. Moreover, 22 respondents mentioned that transparency is highly important for a loyalty program in a way that they would like to continuously check the current status of their points and get informed when they will receive the next reward of the program. They believed that those features would then also give the incentive to keep buying from the brand. It was very present in all responses that a loyalty program must be constructed in a consumer-focused way.

“I think what is really important is that you access it from everywhere and then you directly see the points you already acquired. I don’t like those loyalty cards where I never now when I will receive something, it seems so random to me. It doesn’t make me feel valued.”

(Age 25, uses Angel for 7 years, consumer segment: “Specialist”)

9 Diagnostic Implications and Recommendations to Mugler Portugal

In light of the analysis conducted, there is need for Mugler to create a loyalty program in Portugal that will enable to build long-term relationships with its consumers. Its implementation however comes with several implications. First, one of the problems for the implementation of the loyalty program lies in the small size of the Portuguese market. Mugler Portugal doesn’t have the financial resources and logistic capacity to create a own loyalty program. Thus, integrating Mugler Portugal into a larger market could be a valuable opportunity for the brand. Second, Mugler’s distribution model in Portugal makes the brand highly depended on retailers. This is a problem for the brand, as GDPR regulations don’t allow for data collection or even access. Shiseido’s loyalty card is only available at Perfumes & Companhia, that is part of Grupo

Arié which in turn owns the distribution rights for Shiseido in Portugal (Grupo Arié, 2021). Being part of the same group gives significant advantages such as sharing and collecting data in view of GDPR regulations. In the case of Lancôme's MyRewards it could be seen that the brand, which follows the same distribution model as Mugler, successfully found a way to bypass retailers by implementing its own loyalty program allowing for own data collection.

In view of CRM management, access to consumer data is relevant for Mugler to develop its consumer base in Portugal and to retrieve one-to-one marketing actions. The **main challenge** for Mugler therefore is to find a way to develop a loyalty program in Portugal whose financial and logistic consequences are bearable and that can bypass retailers and thus allows to collect own consumer data. Furthermore, the analysis of the interviews showed that there is a value gap between the current state of the Mugler Circle and the needs and interests of Portuguese Mugler consumers. These insights offer important implications for the brand Mugler and will further enable the brand to boost and reach the full potential of its perfumes brand loyalty in Portugal.

The **following recommendations** are thus aimed at adapting the Mugler Circle locally to the Portuguese Mugler consumer to enable this loyalty driver of the brand to reach its full potential. Even if the Mugler Circle would be launched in Portugal, the problem of non-existent awareness remains. Consequently, there is a need to advertise the loyalty program.

Launch of the Mugler Circle in Portugal. Mugler Portugal should take opportunity of the fusion of L'Oréal Portugal and L'Oréal Spain, as Spain is the third most important market for Mugler in Europe. The Spanish Mugler Team has already implemented the Circle which implies that they have the financial resources for it and a functioning logistic system in place. Therefore, the Mugler Circle should be launched in Portugal by entering into synergies with the

Spanish team. Besides, the Mugler Circle has already been developed in a GDPR respective way and thus makes it possible to retrieve important consumer insights (L'Oréal, 2021).

Creation and Identification of the Mugler community. The first adaptation to the Mugler Circle lies in the forming of a Mugler community. To drive exchange between Circle members and to enable sharing of their experiences with the brand, a forum on the website should be implemented (Appendix 25). Every Mugler Circle member would therefore choose an own username and can create posts, as well as to like and comment on other members' posts.

Integration of a structured reward system. To create an exclusive atmosphere and to make members feel valued as they keep loyal to the brand, a differentiation of consumers in loyalty programs is crucial (Kapferer et al., 2019). Therefore, a point system should be implemented to allow Mugler Circle members to be rewarded in a more structured way. For every perfume purchased, members would receive 1000 points. For every full refill, 500 points would be allocated. Consequently, different statuses should be implemented: SILVER (0-1999 points), GOLD (2000-3999) and PURPLE (+4000). The advantages of the statuses are represented in Appendix 26. The statuses then refer to different values of gifts which are sent after every purchase. Overall, the more Mugler consumers remain loyal to the brand, the more exclusive benefits they receive, resulting in an attachment to the Mugler Circle.

Transparency and Incentivation for Refill. Another recommended adaptation refers to an innovative visualization of the refill concept and the loyalty status. Once the refill receipt has been uploaded, the bottle of the respective fragrance will be visualized under "My Circle" (Appendix 27). Its refill will be simulated depending on how many milliliters were purchased. The bottle then gets emptier every week. Once empty, the Mugler Circle member will receive a

reminder that it is time to refill. Next to the Refill simulation will be shown the current status of loyalty, that can then be continuously checked by the Circle member.

Connection of loyalty touchpoint to the Mugler Circle. As interviews revealed, loyals and specialists are refilling their Mugler perfumes mostly at the Mugler Fountain in store. This loyalty touchpoint should therefore be used to advertise the Mugler Circle. After refilling, the receipt is placed into an envelope at the cash desk by the Beauty advisor in all Mugler distribution channels. There is a QR code on this envelope that can be scanned and transfers the Mugler consumer to the Portuguese Mugler Circle website, where an account can then be created. The process is displayed in Appendix 28.

Launch event. An event for the launch of the Mugler Circle in Portugal should be organized to create awareness. During this event, all new Mugler Circle members would come together and participate in a workshop about the different perfumes and would be given the opportunity to engrave their bottles. As one of the goals in CRM is to turn loyal consumers into recruiters and to further expand the Portuguese Mugler community to reach a critical mass, all invited Mugler Circle members would be offered to bring a friend.

Social media ad campaign. To reach those Mugler consumers who weren't recently refilling their fragrance in store, a social media ad campaign will be launched. The large majority of the interviewees in the group stage were found through identification as Mugler followers on Instagram. Thus, the ad campaign should target Portuguese women that are following Mugler on Instagram and illustrate the registration to and simplify the benefits of the Mugler Circle (Appendix 29).

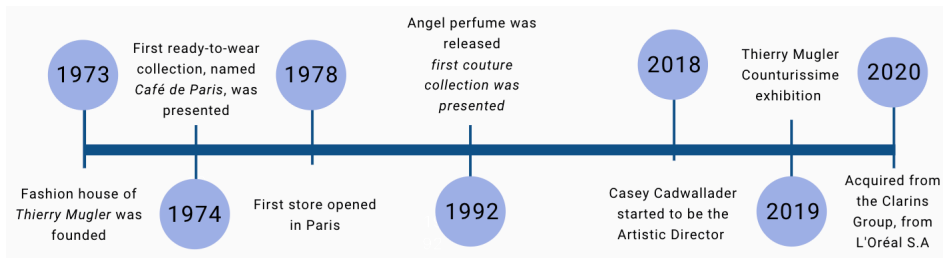
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Appendices

Appendix 1: Mugler's history timeline (Mugler, 2021)



Appendix 2: Demi Moore in *Indecent Proposal*, Cardi B at the Grammy Awards, Kim Kardashian at the Met Gala and Beyoncé's *I AM... World Tour*, respectively.



Appendix 3: Timeline of Mugler Fragrance Launches (Mugler, 2021)



Appendix 4: Luxury as the Creator's Light pyramid on the case of Mugler (Kapferer 2012)

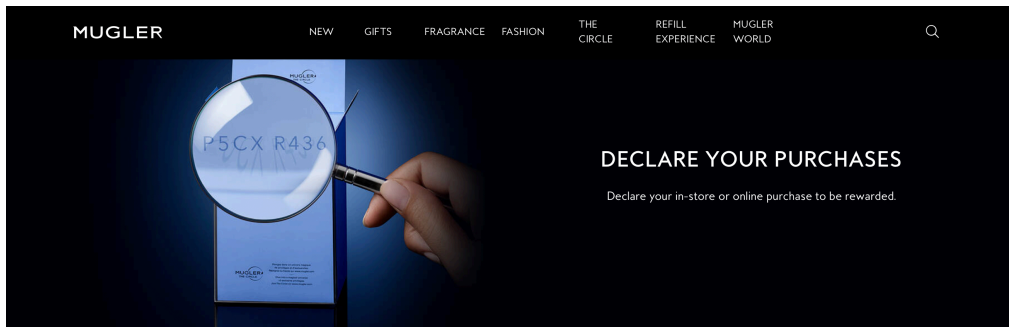


Appendix 6: Comparison Classical Fragrance High-End Model vs. Mugler Business Model

CLASSICAL FRAGRANCE HIGH-END MODEL	MUGLER FRAGRANCE LOYALTY BUSINESS MODEL
Brand Centric	Consumer Centric
Conventional Luxury = High quality/ savoir faire/ house	Unconventional Luxury = Innovation / Laboratory exploration
Recruit	Make them loyal
Tested fragrances & sublimated ingredients	Cutting edge fragrances & disruptive accords
Consumer Relationship Management	
Push Model Media Centric	
Distanciated Communication	Proximity

Appendix 7: Mugler Circle

The screenshot displays the Mugler Circle website interface. At the top, there is a navigation bar with a close button (X) and the text "LOOKS LIKE YOU'RE IN PORTUGAL". Below this, a dropdown menu is open, titled "Not in Portugal? Change your country", listing various countries including International, France, United States, United Kingdom, Italy, Spain, Germany, Canada, Belgium, and Switzerland. The main content area features a large image of Mugler perfume bottles and a hand holding a gift box. Below the image, there are three main sections: "THE PROGRAM" (The Circle Loyalty Program, Inside the Circle Mag), "REGISTER PURCHASES" (Register a Unique Code, Upload a Refill Receipt, Declared Purchases History), and "MY ACCOUNT" (My Profile). At the bottom, there are two promotional banners: "BE REWARDED" (Declare as many as unique codes to receive surprises by the thousands!) and "DECLARE YOUR PURCHASES" (Inside your pack, find your unique Mugler sesame code to access all the Circle's advantages).



REGISTER YOUR UNIQUE CODES

Register the unique code displayed in your product box to receive exclusive privileges. Please enter all 11 digits uppercase and without spaces.

Unique Code*

REGISTER

This site is protected by reCAPTCHA and the Google [Privacy Policy](#) and [Terms of Service](#) apply.

[What is a unique code?](#)

REGISTER YOUR REFILL RECEIPTS

Scan or take a photo of your refill receipt and upload it to receive exclusive privileges. Less than 5MB, JPG, JPEG, PNG or HEIF formats only.

UPLOAD

[What is a refill receipt?](#)

Appendix 8: Pre-recruiting questionnaire

Filter 1 : Have you been living in Portugal for the past five years?

No: Stop Questionnaire; Yes: Filter 2

Filter 2: Have you purchased any fragrance for yourself over the last 2 years?

No: Stop Questionnaire; Yes: Filter 3

Filter 3: From the following list of fragrance brands, which one(s) do you know at least the name?

Participants that know Mugler and at least one other luxury brand will be directed to Filter 4

Filter 4: From the following list of fragrance brands, which one(s) have you ever purchased?

Participants that have purchased Mugler and at least one other luxury brand will be directed to Filter 5 and 6

Filter 5: Would you be willing to have the interview in English?

Yes; No

Filter 6: Please leave your e-mail address so we can contact you:

Appendix 9: List of Fragrance Brands for Filter 3 and 4 of Pre-recruiting-questionnaire

Bulgari, Burberry, Cacharel, Calvin Klein, Carolina Herrera, Cartier, Chanel, Chloé, Davidoff, Dior, Dolce & Gabbana, Eisenberg, Elie Saab, Estée Lauder, Giorgio Armani, Givenchy, Guerlain, Gucci, Hermès, Hugo Boss, Jean Paul Gaultier, Kayali, Kenzo, Lacoste, Lancôme, Marc Jacobs, Michael Kors, Mugler, Narciso Rodriguez, Nina Ricci, Paco Rabanne, Prada, Ralph Lauren, Shiseido, Tiffany & Co., Tommy Hilfiger, Valentino, Versace, Viktor & Rolf, Yves Saint Laurent, Zadig & Voltaire

Appendix 10: Interview Guide

INTERVIEW GUIDE

1. Warm-up	<p>Hello. My name is ... and I am a Master student at Nova School of Business and Economics. As a part of my Thesis in Luxury Management, I am conducting a research about the fragrance approach.</p> <p>I am going to interview you in order to get some relevant information for our project. For this research, I will be using a particular technique: the non-directive method; it means that I will not ask you specific questions about the subject, as in a standard questionnaire, we will rather have a general discussion about the topic. This interview will last approximately 1 hour. If you do not mind, I will record the interview. Of course, everything we talk about remains just between us. After the first question that I will introduce now, you will be free to tell me whatever comes to your mind on the subject.</p> <p>In the end of the interview, I will ask a few questions about your profile. If you have any questions, feel free to ask.</p>
2. Initial Question	<p>Tell me about the last time you bought a fragrance for yourself or received one as a gift? Which fragrance was it and why?</p>
3. Topics to be developed	<ol style="list-style-type: none">1. Understand the relationship with fragrances, discuss purchase behaviour and consumption2. Understand the brand/fragrance perception3. Mugler4. Showing pictures of products, refill concept, complementary products <p>1. Understand the relationship with fragrances, discuss purchase behaviour and consumption</p> <ul style="list-style-type: none">• Understand to which consumer group the interviewee belongs & identify the perfumes in each case <ol style="list-style-type: none">1. Loyal to one fragrance2. Loyal to a group of fragrances (fragrances are used depending on seasonality and occasion); changes the fragrance from time to time3. Permanently changing <ul style="list-style-type: none">• Find out the interviewee's personal story about fragrances <p>Topics:</p> <ul style="list-style-type: none">• Which perfumes or set• Appreciated attributes• Level of loyalty• Willingness of buying additional products (body cream, body spray, candle etc.)• Where? Online or in-store• COVID-19 impact• Search of information (e.g., browsing in-store or online, familiarity, advertising, KOL, word of mouth, recommendation, etc.) <p>2. Understand the brand/fragrance perception</p> <p>Topics:</p> <ul style="list-style-type: none">• Appreciation level and reason of use → Find out the Story behind• Territory about the brand: Does the brand itself have an impact on the choice → Find out if is the person is loyal to the brand or the scent <p>3. Mugler</p> <p>Topics:</p> <ul style="list-style-type: none">• Appreciation level• Reason to choose• Territory of the brand: Loyal to the scent or the brand Mugler• Mugler perception/connection to the brand → Story• Use of additional fragrance products (candles, body creams etc.)• Differentiation factor of Mugler vs. Other brands• Awareness of refilling system• Awareness of Mugler Circle• Interest in the Circle <p>4. Showing pictures of products, refill concept, complementary products</p> <p>Topics:</p> <ul style="list-style-type: none">• If people don't talk before about products, refill concept before → Ask/show pictures about it• Find out how much people know about the brand <div data-bbox="662 1579 1324 1747"></div>
4. Projective Technique Mugler and its Competition	<ol style="list-style-type: none">1. If brand XXX (same 2/3 brands mentioned) was a person, how would the person be like?2. If Mugler was a person, how would you describe it?

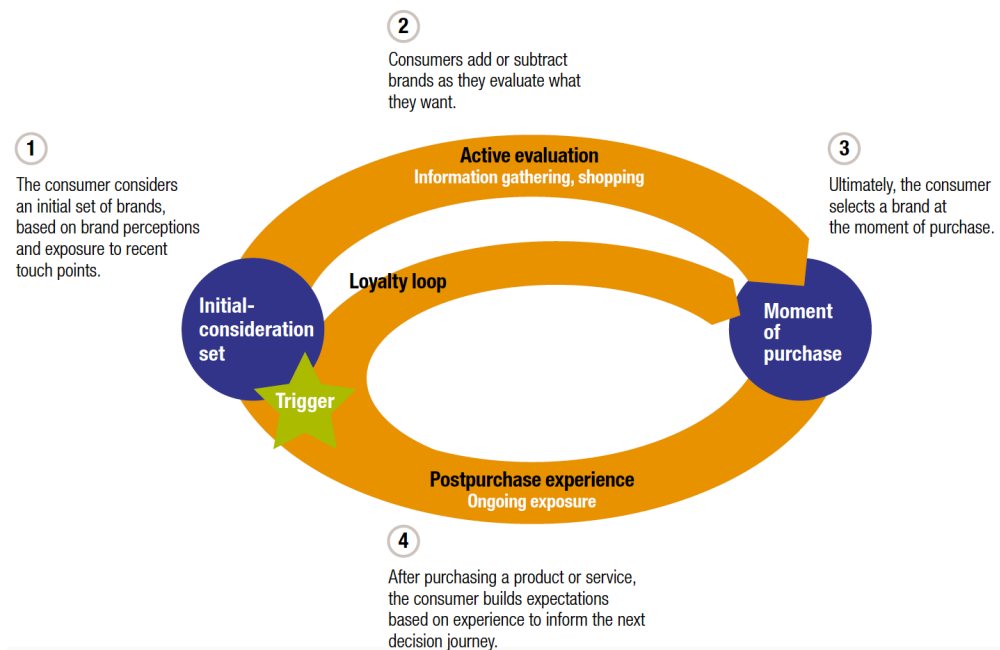
Appendix 11: Social Media Listening Grid

	Instagram	Facebook	Forums	Tiktok	E-Retailer Websites
Mugler					
Chanel					
Carolina Herrera					
Armani					
Dolce & Gabbana					
Boss					
Dior					
Paco Rabanne					
YSL					
Lancôme					
Calvin Klein					

Appendix 12: Client Mystery Grid

	Location	Scenario 1/2	Brands considered by BA	BA's reaction	BA's expertise regarding Mugler	BA's expertise regarding Mugler's re-filling process	Refillable Concept
Perfumes & Companhia							
Sephora							
Douglas							
El Corte Inglés							

Appendix 13: The Consumer Decision Journey from McKinsey (Source: Court, D., Elzinga, D., Mulder, S. and Vetvik, O. J., 2009, p.3)



Appendix 14: Mugler corner at El Corte Ingles in Lisbon



Appendix 15: Comparison of prices of Mugler's complementary products with comparable products from Uriage and La Roche Posay (Douglas, 2021)

Mugler:

Shower gel: 37,50€ (200ml)

Body milk: 41,95€ (200ml)

Body cream: 48,71 (200ml)

Uriage:

Shower gel: 11,79€ (200ml)

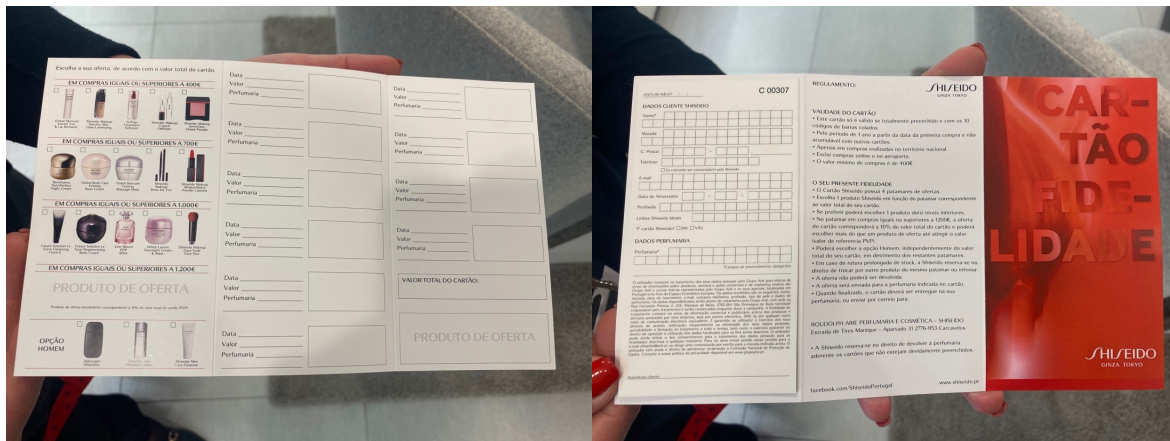
Body milk: 19,69€ (200ml)

La Roche Posay:

Shower gel: 16,99€ (400ml) → 8,50€

Body milk: 21,90€ (400ml) → 10,95€

Appendix 16 : Shiseido Loyalty Card



Appendix 17 : Lancôme MyRewards Homescreen



Appendix 18: How to win points in MyRewards

MY REWARDS

COMO GANHAR PONTOS

Pode ganhar pontos de várias formas!

- Compre Produtos**
 Ganhe 10 pontos por cada 1€ gasto
 Aplicável apenas em compras realizadas em território nacional, excluindo *duty free*, e nas perfumarias selecionadas: El Corte Inglés, Perfumes & Companhia, Douglas, Sephora, SweetCare, MASS Perfumarias e Marques Soares.
- Complete o seu perfil de beleza**
 Ganhe 50 pontos
 Complete o seu perfil de beleza para receber conselhos e dicas sobre a maquilhagem, as fragrâncias e os tratamentos de pele mais adequados para si.
- Avalie os nossos produtos & serviços**
 Ganhe 5 pontos por cada questionário
 Queremos saber o que pensa dos nossos produtos e serviços para os melhorarmos e garantir que estamos a corresponder às suas expectativas.

SIGA-NOS
 f y i

Gestão de Permissões
 Política de Privacidade

Appendix 19: Different statuses of MyRewards

MY REWARDS

SOBRE O PROGRAMA

Bem-vindo ao seu espaço de beleza pessoal!

O programa de fidelidade My Rewards foi criado a pensar em si: faça compras, ganhe pontos e use-os para receber produtos gratuitos e outras surpresas. Conheça todas as vantagens!

	ROSE 0 - 4999 Pontos	SILVER 5000 - 9999 Pontos	GOLD +10000 Pontos
Acesso antecipado a promoções, novidades e lançamentos	●	●	●
Informações exclusivas sobre os produtos e as dicas de beleza mais adequadas para si	●	●	●
Acesso ao catálogo de presentes: inclui produtos de tamanho de venda e outras surpresas	●	●	●
Envio gratuito de presentes para a loja	●	●	●
Um presente no seu aniversário	●	●	●
Um presente no seu aniversário My Rewards		●	●
Convites para Eventos exclusivos			●

SIGA-NOS

Appendix 20: Mugler Circle Account

Home > My Account > Account Settings

MY ACCOUNT
Sarah Salzmann

ACCOUNT SETTINGS & SUBSCRIPTION

ACCOUNT

- Account settings >
- Address book >
- Registered Codes History >
- Wishlist >

LOG OUT

ACCOUNT INFORMATION

EDIT INFORMATION CHANGE PASSWORD

Name
Sarah Salzmann

Email address
45804@novasbe.pt

Appendix 21: Overview of the Mugler Circle website

CANADA STORE LOCATOR MUGLER EMAIL SIGN UP MY ACCOUNT

NEW GIFTS FRAGRANCE FASHION THE CIRCLE REFILL EXPERIENCE MUGLER WORLD SEARCH

THE PROGRAM
The Circle Loyalty Program
Inside the Circle Mag

REGISTER PURCHASES
Register a Unique Code
Upload a Refill Receipt
Declared Purchases History

MY ACCOUNT
My Profile

BE REWARDED
Declare as many as unique codes to receive surprises by the thousands!
[Claim your rewards](#)
[Registra un codice unico](#)

DECLARE YOUR PURCHASES
Inside your pack, find your unique Mugler sesame code to access all the Circle's advantages
[Register a unique code](#)
[Scopri il premio pensato per te](#)

Appendix 22: Declaration of purchases

DECLARE YOUR PURCHASES
Declare your in-store or online purchase to be rewarded.

REGISTER YOUR UNIQUE CODES

Register the unique code displayed in your product box to receive exclusive privileges. Please enter all 11 digits uppercase and without spaces.

Required fields are marked with an asterisk (*)

Unique Code*

REGISTER

This site is protected by reCAPTCHA and the Google [Privacy Policy](#) and [Terms of Service](#) apply.

[What is a unique code?](#)

REGISTER YOUR REFILL RECEIPTS

Scan or take a photo of your refill receipt and upload it to receive exclusive privileges.
Less than 5MB, JPG, JPEG, PNG or HEIF formats only.

UPLOAD

[What is a refill receipt?](#)

Appendix 23: Mugler Magazine



THE MAKING OF THE ALIEN GODDESS DRESS WITH CASEY...

A special member of The Circle community, MUGLER has chosen to...

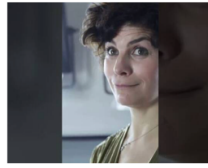
02 Sep 2021



INTRODUCING THE NEW ALIEN GODDESS

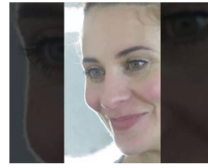
MUGLER has chosen to exclusively reveal the world and heroine of its new...

26 Aug 2021



PAULINE AND ANGEL EAU DE TOILETTE

17 Apr 2020



CAROLINE AND ALIEN EAU DE PARFUM

08 Apr 2020



ROJIN AND ANGEL EAU DE PARFUM



OUR GERMAN AMBASSADORS GO BEHIND THE SCENES AT MUGLER L...



ANGEL FANS TELL THE TALE OF LEGENDARY EAU DE PARFUM

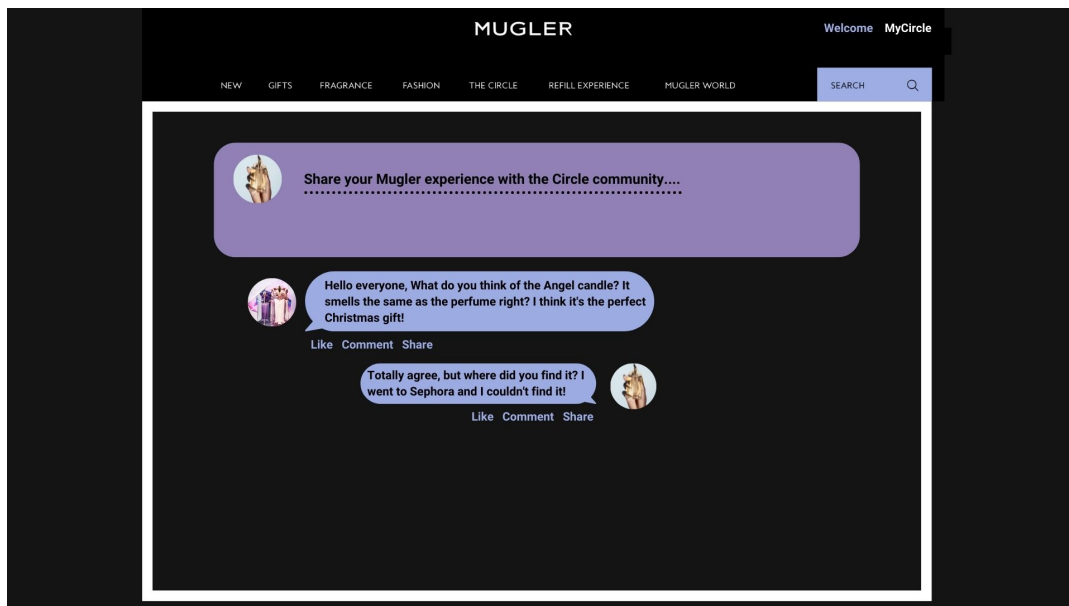


EXCLUSIVELY DISCOVER THE NEW FACE OF ANGEL

Appendix 24: Indication of the Mugler Circle on products in Portugal



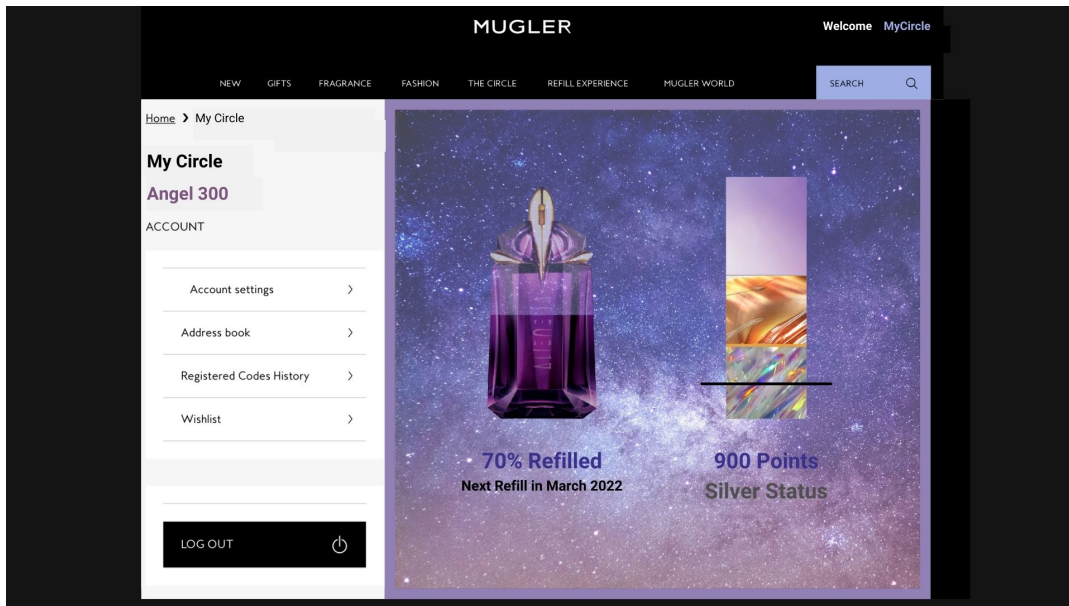
Appendix 25: Forum (own visualization)



Appendix 26: Overview of statuses and its advantages

SILVER	GOLD	PURPLE
<ul style="list-style-type: none">• Biweekly newsletter• Access to the Mugler Mag• Access to the Forum• 5 free samples every year	<ul style="list-style-type: none">• Biweekly newsletter• Access to the Mugler Mag• Access to the Forum• 5 free samples every year• Birthday surprise	<ul style="list-style-type: none">• Biweekly newsletter• Access to the Mugler Mag• Access to the Forum• 5 free samples every year• Birthday surprise• Access to special yearly events and online-masterclasses

Appendix 27: Mugler Circle Account (own visualization)



Appendix 28: Connection of the Refill and Mugler Circle in Store (own visualization)



Appendix 29: Social media ad campaign (own visualization)

