

CHAPTER

1

INTRODUCTION

HOME FRAGRANCES AND CANDLE REPORT 2005 OVERVIEW

RESEARCH OBJECTIVES

The objective of this study is to provide home fragrance and candle marketers and retailers insights about the consumer market for their products. These consumer insights help marketers unite with their target market so that they create and sell more of the kinds of products that consumers really desire. Based upon research among recent home fragrance consumers, this report focuses on market opportunities available to product manufacturers and retailers to help them deliver products and services that satisfy the consumers' craving to fragrance their homes with candles which are the consumers' first choice in home fragrance options.

With a focus on consumers, their buying behavior, needs, desires and preferences, this research study includes research data and statistics about:

- **Home Fragrances and Candle Market Size and Growth:** What is the size of the home fragrance market and how rapidly is it growing? How is the home fragrance market segmented by type of product?
- **Demographics of the Home Fragrance Market:** What kinds of households buy home fragrance products and how do different demographic characteristics impact and influence home fragrance buying behavior (e.g., HHI, size, composition, ethnicity/race, education, etc.); what are the different demographic segments within the home fragrance market?
- **Home Fragrance Buying Behavior:** What are the primary characteristics of the consumers' buying behavior related to home fragrances in general and candles in particular? Why do they buy and

what share of purchases are made as gifts? Where do they shop for home fragrances; what factors influence their decision making; how much do they spend buying home fragrance products, including specific types of candles; what is the role of brand in home fragrance buying behavior? How do different demographic segments differ in their home fragrance and candle shopping and buying behavior?

- **Psychographic Profile and Segmentation of the Home Fragrance**

Market: The psychographic profile of home fragrance consumers will reveal their different drives and motivations in purchasing home fragrances; what factors are more or less important in driving home fragrance purchasing decisions; and how home fragrance marketers and retailers can better understand the hearts and minds of their consumers. In essence, we will discover “why people buy home fragrances.”

METHODOLOGY

This report is based upon findings from a consumer survey of a representative sample of 1,195 U.S. consumers about their purchases and participation in the home fragrance market, including:

- Candles of all shapes and sizes;
- Home fragrance products, such as aromatherapy, diffusers, sprays, sachets, potpourris, incense, simmers, car fresheners and other home fragrance products;
- Candle and lighting accessories, such as candle holders, candle plates, candle sticks, candle rings, oil lamps, outdoor torches, etc.;
- Electric air purifiers, air cleaners, ionizers and other air purifying products and accessories.

Survey respondents were screened for their purchase of any home fragrance products in the past 12 months, from March 2004 to February 2005. A total of 954 home fragrance consumers

answered an in-depth survey questionnaire. The survey was conducted during February 2005 using an electronic internet-based survey platform. A copy of the survey questionnaire is included in the appendix of this report.

Not unexpectedly the survey sample of home fragrance purchasers skewed female with just about three-fourths (77 percent) being women and one-fourth (23 percent) men. The average age of survey respondents was 39.5 years.

Comparable consumer survey data was collected in 2003 among a survey of 1,000 U.S. households. The 2003 survey focused primarily on candle consumers, though data was collected about topline purchases of home fragrances. Where appropriate, this report includes comparative findings from the 2003 candle and home fragrance consumer survey.