

SCENTED BRANDING: THE CASE OF CHANEL N°5

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Abstract

In a highly competitive global business environment, attracting and retaining customers represents a key objective for any business organization, irrespective of its size and domain of activity. This is why branding, a marketing concept, constitutes a powerful tool for a company in order to face today's tougher competition. This study aims to briefly define the concept of branding and illustrate the successful story of Chanel N°5, a famous perfume brand. In this respect, the author used a qualitative research method. The paper shows that successful branding plays an important role in obtaining remarkable business performances. As one of the most selling perfume worldwide, Chanel N°5 has remained since its emergence one of the most renowned fragrances for women launched under the brand of Chanel.

Keywords: branding, brand, Chanel N°5, Coco Chanel

Classification JEL: M3, M39

1. Introduction and context of the study

Since the fall of the communist regime, the rapid expansion of the globalization process has profoundly change the business world. In a highly competitive global business environment (Cornescu et al, 2004; Toma, 2005), attracting and retaining customers represents a key objective for any business organization, irrespective of its size and domain of activity. This objective may be attained through various means such as marketing mix (Grădinaru and Toma, 2017; Catană and Toma, 2021a), customer experience (Toma and Catană, 2021a; Toma and Catană, 2021b) or brand reputation (Toma and Catană, 2021c; Toma, 2023a).

This is why branding, a marketing concept (Murphy, 1992; Drummond and Ensor, 2006), constitutes a powerful tool for any company in order to face today's tougher competition. The design and implementation of successful branding requires specific levers such as quality, innovation, and differentiation (Doyle, 1990). The renowned brands from the perfume and haute couture domains (e.g., Chanel, Dior, Gucci) are good examples (Haig, 2004).

The global fragrance market was worth around USD 40.13 billion (bn) in 2022 (Zion Market Research, 2024), USD 58.21 bn in 2023 and is estimated to grow to USD 60.05 bn in 2024 (Statista, 2024). In Europe, the fragrance market size was valued at USD 19.2 bn in 2022, at USD 19.7 bn in 2023 and is projected to attain USD 24 bn in 2032 (Nandi, 2024).

Starting from the above-mentioned issues this paper raises the following research question: How did Chanel N°5 succeed in becoming a famous brand? In this respect, this study aims to briefly define the concept of branding and illustrate the successful story of Chanel N°5, a famous perfume brand. In this respect, the author used a qualitative research method. The remainder of this paper is structured as follows: section 2 presents the literature review. The methodology is displayed in section 3. Section 4 illustrates the results and discussion. The conclusions are shown at the end of the paper.

2. Literature review

The concepts of brand and branding have represented a topic of interest in the literature since their emergence. The reason lies in the fact that both concepts have continuously grown in importance in the past decades. Including both tangible and intangible elements, a brand represents “a name, a term, a symbol, a logo or a combination of these elements which make it possible to identify the products proposed by a manufacturer or a retailer and to differentiate them from competing products” (Dubois et al, 2007, p. 237) and constitutes “the full ‘personality’ of the company and is the interface between a company and its audience” (Davis, 2009, p. 11). Moreover, it is “a mechanism for achieving competitive advantage for firms, through differentiation” (Wood, 2000, p. 666).

On its turn, branding, an important component of the product policy, is defined as:

- “endowing products and services with the power of a brand” and involves “creating mental structures and helping consumers organize their knowledge about products and services in a way that clarifies their decision making” (Kotler and Keller, 2006, p. 275-276).
- “the process of giving a meaning to specific organization, company, products or services by creating and shaping a brand in consumers’ minds” (Andrivet, 2015, p. 1).
- “the process of creating a distinct identity for a business in the minds of your target audience and the general population” (Winter, 2024. p. 1).

Successful branding means that consumers are convinced by the value of a specific product/service and perceive the differences between it and other competing products/services, demonstrates consumers that the product/service is in concordance with what the brand promises, has its own visual identity, creates a strong emotional connection with consumers and provides a high quality customer service experience. This is why brands should focus on “the aspects of their offer that will help people survive and thrive” (Miller, 2017, p. 7). Thus, “companies live or die on the strength of their brand” (Haig, 2003, p. 2). A successful brand is created through various means such as packaging, design or advertising and adds an important value to any business organization (Kenton, 2024).

Thus, branding plays an important role in achieving business success for any company acting in a changing and hyper-competitive business environment (Toma and Marinescu, 2013; Toma and Marinescu, 2015; Toma et al, 2016a). It should be embedded in business and corporate strategies (Toma and Grădinaru, 2016; Toma et al, 2016b; Toma, 2023b), business models (Toma and Tohănean, 2018; Toma and Tohănean, 2019) and marketing mix (Grădinaru et al, 2016; Catană and Toma, 2021b), linked with an entrepreneurial mindset (Catană et al, 2020; Zainea et al, 2020), strong leadership (Toma, 2008a; Grădinaru et al, 2020), innovation (Tohănean and Toma, 2018) and creativity (Toma et al, 2013), social responsibility (Marinescu et al, 2010; Imbrișcă and Toma, 2020) and corporate citizenship (Toma, 2008b; Toma et al, 2011), and combined with different methods and techniques such as Six Sigma (Toma, 2008c; Toma, 2013), quality management (Toma, 2006), Balanced Scorecard (Toma et al, 2010), organizational learning (Toma, 2012) and training programs (Marinescu and Toma, 2013).

These considerations illustrate the increasing importance of branding in ensuring business success. This is why section 4 of the paper concentrates on the case of a thriving brand, namely Chanel N°5.

3. Methodology

In order to reach the aims of the paper, the author employed a methodology based on a qualitative research method. In the beginning, he identified significant sources of information through desk research. Then, the author gathered the relevant data mostly from articles. After that,

he carried on the literature review and synthesized the data. In the end, the author elaborated the study.

4. Results and discussion

This section of the paper illustrates the findings of the paper together with their short analysis. In the beginning, the author presents some milestones from the life of Gabrielle Bonheur “Coco” Chanel. Then, he displays the story of Chanel N°5, an iconic brand in the perfume industry, and investigates its successful branding.

Born in the French town Saumur, Coco Chanel (19.08.1883-10.01.1971) was the daughter of Eugénie Jeanne Devolle Chanel, a laundrywoman, and Albert Chanel, a street merchant (Britannica, 2024). Her poor family included another five children. After her premature mother death, 11-year-old Coco was sent an orphanage located in Aubazine. The nuns taught her how to sew.

Chanel became a seamstress at 19 years old in Moulins, another small French town (Chaney, 2011). After persuading two wealthy men, Étienne Balsan and Arthur “Boy” Capel, to provide her financial assistance, she launched a small business. Year 1910 witnessed the opening of Chanel Modes, her first small millinery shop in Paris, followed two years later by the opening of a boutique in Deauville, a nice resort located in Normandy.

Coco Chanel transformed in a relatively short period of time the design of women clothes and became famous all around the world (de la Haye and Mendes, 2021). One of the most influential haute couture designers of the last century, she epitomizes the story of a woman who succeeded in a world dominated by men. Chanel revolutionized the French fashion through her simple and sober style, a style that liberated women from the corsets constraints (Meyer-Stabley and Maache, 2017).

A Floral Aldehyde fragrance for women, Chanel N°5 was launched by Coco Chanel in 1921 (Goldman Rubin, 2018). The brand rapidly became so famous that every woman wanted it. As one of the long lasting symbols of Chanel, the perfume strengthens the idea that “there are few brands known or more desired in the world” (Rogers, 2023, p. 9).

As one of the most selling perfume worldwide, Chanel N°5 has remained since its emergence a fragrance masterpiece created by French perfumer Ernest Beaux in collaboration with Chanel. A mixture of many natural and synthetic ingredients, the perfume intends to emphasize the multiple facets of a woman:

- natural and artificial,
- honest and insincere,
- open and hidden;
- silent and expansive,
- familiar and mysterious,
- pure and indecent etc.

Smelling a bottle of her N°5 perfume which, according to Chanel, represents “the physical manifestation of the scent it contains, daring, seductive, alluring” (Lindstom, 2005, p. 89), provides a memorable experience for women. It is said that “while N°5 was not the first perfume to use aldehydes to create a unique blended scent, it was arguably the first to introduce the technique’s to a wide audience” (Cullen and Burks, 2023, p. 22). Being famously associated with Marilyn Monroe, Catherine Deneuve, Nicole Kidman and Audrey Tautou, Chanel N°5 is deeply embedded in a sophisticated marketing mix which highlights the essence of the brand. All in all, the successful branding of Chanel N°5 resides on a plethora of factors as follows:

- subtle choice of ingredients,
- creativity,
- great advertising,
- chic packaging,

- interesting shape of the bottle,
- innovative design,
- inspiring name of the perfume,
- unforgettable sensorial effects,
- meticulous attention paid to every detail,
- a perfume seen as an ultimate accessory of fashion,
- a lucky number (the perfume was launched on May, 5),
- competitive marketing mix etc.

A brand bestseller, Chanel N°5 continues after a century of existence to be one of the most desired fragrances in the world.

5. Conclusions

Branding represents a marketing concept which constitutes an intense preoccupation of both theoreticians and practitioners. During the time, it has evolved and become a key element of the marketing mix.

The paper shows that successful branding plays an important role in obtaining remarkable business performances. In this sense, Chanel N°5 has remained since its emergence one of the most renowned fragrances for women launched under the brand of Chanel.

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