

Global brand with an ethnic foundation

From making purely oriental fragrances to combining them with fruity scents, the renowned perfume brand Ajmal is seeking new opportunities in travel retail. By Shikha Mishra



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— Abdullah Ajmal
Deputy General Manager,
Ajmal Perfumes

The foundation of Ajmal Perfumes was laid in 1950 when Ajmal Ali began sourcing oudh* from his hometown in Assam to sell it in the bustling metropolis of Mumbai. What started as a single commodity trading enterprise has now grown into a leading name in the perfume industry.

“My grandfather began travelling to the trade hubs of the Gulf region such as Dubai and Kuwait to supply oudh. We began production of attars in a small kitchenette from our home in the late ‘60s and towards the end of 2006 opened our 100th store,” says Abdulla Ajmal, Deputy General Manager, Ajmal Perfumes.

As the eldest among the third generation of the Ajmal family, Abdulla has used his MBA in marketing to bring fresh ideas into the family business. “Our vision is to have 100 more stores in the next five years. The company will now grow at a faster pace,” he says.

“The rapid rate of expansion of the company is dictated by the current business environment and the management’s future vision and plans. “We cannot grow at the same pace as we did 20 years ago. We have to keep up with the current business environment,” says Abdulla.

DIVERSE SHOPPER PROFILE

Ajmal’s strength lies in the fact that it is a fragrance brand with a predominant

following within the local Arab community. “But we now need to move in a different direction, so we are not perceived as just an Arabic or oriental perfume company. Over the last few years, our focus has shifted and we see that younger consumers, both Arabs and expatriates alike, are buying our products. About seven years ago, 99 per cent of our clientele were Arabs, now 70 per cent of our customers are Arabs from the GCC region and the rest are expatriates,” says Abdulla. The age demographics of Ajmal’s customers has undergone a change too, with the age group between 25-40 now being seen as potential customers. “The population is getting younger. In few years they will have buying power and will not be able to relate to our brand, so we have to change with the times,” says Abdulla.

To appeal to the younger generation, Ajmal has subtly changed its product line-up. “We realised a lot of our younger consumers were moving away from the purely oriental fragrances, which was due to changes in tastes. We pride ourselves in the fact that we invest heavily in research; this helped us create fragrances that are traditional in their element but modern in their approach. We’ve grown from making purely oriental, heavy fragrances to now combining western and oriental elements, creating fragrances that appeal to a much wider audience,” he adds.



* The Aiteswood oil termed as ‘oudh’ is the Middle East is highly valued for its fragrance and is derived from an Agarwood tree that grows all over Southeast Asia.

Exclusive products for travel retail to be launched from the Ajmal stable include Ajmal II, Unwell and Zeyn



GLOBAL EXPANSION

From the first store that opened in 1976 in Murshid Bazaar in Dubai, Ajmal Perfumes has come a long way. Currently exported to 14 countries including Iran and Yemen, Ajmal is also establishing its presence worldwide through retail giants such as Sephora. "Ajmal is available on Virgin Airlines and British Mediterranean, along with other airlines such as Saudi Arabian Airlines, Gulf Air and Etihad Airways," says Abdulla.

Ajmal believes in spending a bulk of its budget on brand development in each country it enters and is planning to go into the Indian market in a big way. "The perfume industry in India is still at a nascent stage, but it has tremendous potential. The distribution network, the selling techniques and the economics of setting up a structure are phenomenal in India," says Abdulla.

Ajmal's strategy includes opening 100 stores in the near future, including more flagship stores and opening distribution channels with strategic partners.

Ajmal is looking at exploiting the immense possibility of the Far East and European markets. "Having a store in Europe gives you credibility to market your products anywhere in the world. The luxury industry never gets affected by an economic recession, the luxury end of the business is still doing well and will continue to grow," says Abdulla.

Adding value to purchase

TRDFM in conversation with Jaffrey Zaman, Assistant Manager – Travel Retail, Ajmal Perfumes

How many airports and in-flight duty-free is Ajmal available at?

Ajmal is available at Dubai, Abu Dhabi, Bahrain and Cairo, and it is sold in-flight on Virgin Atlantic Airways, British Mediterranean Airways, Etihad and Gulf Air. We are reaching out to more duty free outlets and airlines and our list will increase soon.

Ajmal's travel retail segment has grown tremendously. What are your figures for the past five years?

2002: +27 per cent
2003: +42 per cent
2004: +77 per cent
2005: +41 per cent
2006: +33 per cent

Which are your best-selling products in travel retail and downtown?

In travel retail, our best selling products are Ajmal II, Areej Al Shouk, Wafaa, Ghala and Teyf. In downtown, fast-selling products include Mukhalat Dahn Al Oudh Moattaq, Dahn Al Oudh Shams, Ahebbak, Shadow and Wisal.

With new travel retail products being introduced, are you also planning new promotions?

We have always understood the sentiments of the travel retail environment and our prime focus has been to add value to a purchase. We have dedicated beauty advisors who help customers make the right selection. Our GWP's are also appropriately sourced with good taste that will not only act as an incentive for purchases but also will be treasured as a collector's item.

What are the consumer trends for traditional Arabic perfumes given the popularity of Western perfumes – how do you propose to attract travellers to Ajmal in travel retail?
Our brand positioning has changed from a traditional Arabic perfume maker to the 'ethnic chic' niche where our band of target audience

is universal and we appeal to all perfume lovers with rich taste. We stand out from the rest in all aspects of branding such as product, service and communication presentations. Innovation in terms of marketing is the key to gain mind and market share in travel retail industry.

Have the new regulations in airport security affected your sales in the travel retail segment?

We have not felt much of an impact in terms of sales with the implementation of the new regulations in airport security.



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Assistant Manager—
Travel Retail,
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"Our vision is to go global, but to retain our ethnicity. In two years, a huge shift in Ajmal will be seen, with a new look and new retail concepts in all our stores. We want our brand to blend comfortably into New Bond Street, Champs-Élysées and on Fifth Avenue as those are the locations we're looking at in future for our stores," he says.

Though the company is moving in a new direction, there are certain challenges that the perfume industry still faces in the Middle East. "We were amongst the first perfume manufacturers in the region to start selling our products online through the e-commerce module. It was interesting to learn how our products were able to attract attention from consumers in Korea for example, where we are yet to be available. We had to shut our online operations as export regulations were getting a lot more stringent and we felt it would be more financially viable to export directly to country," says Abdulla.

TRAVEL RETAIL INITIATIVES

Travel retail is increasingly becoming an important part of the company's business. "If you look at it from the profit point of view, it is a marginal amount, but that's not the only way to judge a segment. Travel retail is going to help us mould or change the existing perceptions that travellers have about our brand," says Abdulla.

"Through travel retail we have managed to reach to a much wider audience. It is key for us that consumers world over get to experience our offerings. We believe we create products that are unique, that combine the best of both worlds — East and West; we believe our products have elements that help them stand out and this belief needs affirmation in the form of purchase. Travel retail provides us with the means," says Abdulla.

"If you look at it from the travellers perspective, they have a unique offering that they can take home to their relatives and loved ones. By unique I mean something that is not readily available in their country of origin. This in my view helps break perceptions and misconceptions of not only the brand but the country as well. You see, we are ambassadors and through our offerings we extend our welcome to everyone."

Exclusive products for travel retail from the Ajmal stable that will be launched in the near future include Ajmal II, Unvell and Zeyna.

Abdulla likens perfume to jewellery. "In my view, fragrances are like invisible jewellery, they help enhance your already beaming aura and also help communicate your state of mind and being to all those around you." ■



The new Ajmal factory at Al Quoz Industrial Area in Dubai. Ajmal's strategy includes opening 100 stores in the near future, including more flagship stores and opening distribution channels with strategic partners.

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