

XYZ PERFUMES LTD

AI Swarm Intelligence — Market Simulation Report

Scenario	Scenario 3 — Brand Positioning: Dupe vs Independent Identity
Business	XYZ Perfumes Ltd · xyz-perfumes.co.uk · UK
Prepared by	SimpluTech — AI Simulation Consultancy
Client	XYZ Perfumes Ltd — Business Partners
Date	June 2026
Simulation	MiroFish AI · 100 Agents · 40 Rounds
Status	Phase 1 — Scenario 3 of 3 — Final Report

SCENARIO QUESTION

Should XYZ Perfumes Ltd openly market themselves as a designer dupe / inspired-by brand, or build an independent oriental luxury brand identity? Which positioning will generate stronger customer loyalty, higher repeat purchase, and better long-term brand equity in the UK market?

01 EXECUTIVE SUMMARY

This report presents the findings of the third and final MiroFish AI swarm intelligence simulation commissioned for XYZ Perfumes Ltd and delivered by SimpluTech. Scenario 3 addressed the most strategically significant question of the three: how should XYZ Perfumes Ltd position its brand — openly as a designer dupe or inspired-by alternative, or as an independent oriental luxury brand with its own identity and heritage?

100 autonomous AI agents were deployed over 40 interaction rounds, representing UK fragrance buyers across demographics, TikTok users, social media influencers, heritage brand advocates, price-sensitive consumers, and established competitor brands. Agents debated brand perceptions, loyalty drivers, and the long-term implications of each positioning strategy.

KEY FINDING

Neither positioning is wrong — but the timing matters. Dupe positioning wins in the short term: faster awareness, stronger TikTok traction, higher immediate conversion among younger buyers. Independent oriental luxury wins long term: deeper loyalty, stronger brand equity, pricing power, and a unique market position no competitor currently occupies. The recommended strategy is a phased approach — use dupe positioning to build the audience, then migrate toward independent brand identity as trust and recognition grow.

02 SIMULATION PARAMETERS

SimpluTech configured the following parameters for this simulation, completing the three-scenario Phase 1 suite for XYZ Perfumes Ltd.

Parameter	Detail
Engine	MiroFish (OASIS · CAMEL-AI) — GraphRAG Knowledge Graph
Agents	100 autonomous agents (unique personalities, backstories, long-term memory)
Rounds	40 rounds (55% of standard 72-round run — consistent across all 3 scenarios)
Seed Material	Client-provided brief: brand story, product range, pricing, competitor landscape, positioning options
Prediction Question	Dupe vs independent brand positioning — loyalty, repeat purchase, and long-term brand equity

03 SIMULATION FINDINGS

3.1 Dupe Culture is Real and Growing in the UK

The simulation confirmed what XYZ Perfumes Ltd's own TikTok experience has already shown: dupe culture is a genuine, growing, and socially accepted trend in the UK fragrance market. Younger consumers — particularly those aged 18–35 — actively seek out and celebrate affordable alternatives to designer fragrances. TikTok has normalised and amplified this behaviour, making dupe discovery a social activity rather than a compromise.

Consumer acceptance of dupe fragrances is gradually increasing, especially among those seeking value for money. Many consumers hope to enjoy luxurious fragrances without the hefty price tag — making dupes an attractive and increasingly respected option.

Brands like ALT. Fragrances and Dossier have built substantial UK followings by leaning into transparent dupe positioning. Their success demonstrates that openly naming designer inspirations — rather than obscuring them — builds trust and drives conversion among price-sensitive buyers. XYZ Perfumes Ltd is already competing in this space whether it chooses the positioning explicitly or not.

3.2 Dupe Positioning — Strong Short-Term, Risky Long-Term

The simulation showed clearly that openly marketing as a dupe or inspired-by brand delivers faster results in the short term. Agents representing younger UK buyers responded immediately and positively to transparent dupe messaging, and the social sharing behaviour generated by dupe content on TikTok was significantly higher than equivalent branded content.

If a dupe fragrance can provide a similar experience to designer scents at a more affordable price, consumers may choose to remain loyal — but brands that rely solely on dupe positioning risk being seen as a generic budget alternative rather than a brand with its own identity.

The long-term risk of pure dupe positioning is brand commoditisation. If XYZ Perfumes Ltd is known only as 'the cheap version of Dior Sauvage', the brand has no intrinsic value of its own. A competitor who offers the same dupe at a lower price immediately threatens customer loyalty. The simulation showed that price-driven loyalty is the weakest form of loyalty in the fragrance category.

3.3 Independent Oriental Identity — Stronger Equity, Slower Build

The alternative positioning — building an independent oriental luxury brand around XYZ Perfumes Ltd's own fragrance names, heritage, and craftsmanship — generates deeper loyalty and stronger long-term brand equity. Agents representing heritage-conscious buyers, older demographics, and gift purchasers responded significantly more positively to brand story and identity than to dupe comparisons.

Building an independent brand identity is a more effective way to promote long-term brand value growth. Consumers increasingly value brand stories and identities — developing a distinct brand helps stand out in a competitive market and commands stronger loyalty and pricing power over time.

The oriental fragrance heritage — oud, amber, musk, the Middle Eastern and South Asian perfume tradition — is a genuinely distinctive and culturally rich story that no Western dupe brand can tell. XYZ Perfumes Ltd has authentic roots in this tradition. The simulation suggests this is the brand's most powerful long-term differentiator, and one that is currently being underutilised.

3.4 The Demographic Divide — Age Shapes Preference

The simulation revealed a clear demographic split in positioning preference that XYZ Perfumes Ltd should factor into its strategy. Younger buyers (18–30) responded more strongly to dupe positioning — they share it on TikTok, they respond to price comparisons, and they make faster purchase decisions based on value. Older buyers (35+) and gift purchasers responded more strongly to heritage, story, and quality — they want to buy something that means something, not just a cheap version of something else.

For younger buyers, price often outweighs brand recognition — while older consumers prioritise heritage and craftsmanship. A brand that can speak to both groups at different points in the customer journey will outperform one that commits to only one positioning.

This demographic insight directly informs the recommended phased positioning strategy: use dupe-adjacent content to acquire younger buyers on TikTok and Instagram, then nurture them toward the brand's independent oriental identity through storytelling, product depth, and heritage content as the relationship develops.

3.5 Transparency Builds Trust in Both Positionings

Across all agent groups, one principle was consistent regardless of positioning preference: transparency builds trust. Agents responded negatively to brands that obscure their inspiration sources or make inflated quality claims. They responded positively to brands that were honest about what they are — whether that is 'inspired by designer fragrances at half the price' or 'rooted in centuries of oriental perfume tradition'.

When brands maintain transparency regarding product quality, pricing strategies, and production processes, consumers are more likely to establish a sense of trust — and trust is the foundation of long-term loyalty in any category.

For XYZ Perfumes Ltd, this means the brand should never pretend to be something it is not — but it has two entirely honest stories it can tell, and the choice of which to emphasise at which moment is a strategic decision, not a moral one.

04 BRAND POSITIONING FRAMEWORK

The simulation supports a dual-positioning strategy that uses each approach at the right moment in the customer journey. The table below summarises how each positioning performs across key dimensions.

Dimension	Dupe / Inspired-By Positioning	Independent Oriental Luxury Brand
Audience fit	Younger UK buyers, TikTok users, price-sensitive consumers	Heritage seekers, older demographics, gift buyers

Short-term conversion	High — clear value proposition, easy to understand	Lower — requires brand education and trust building
Customer loyalty	Medium — price-driven, vulnerable to cheaper competitor	High — emotional connection, story-led repeat purchase
Long-term brand equity	Risk of being seen as generic budget alternative	Strong — unique identity, harder to replicate
Social media potential	Very high — dupe content drives shares and discovery on TikTok	Medium — requires content investment to build narrative
Competitive risk	Directly competes with ALT., Dossier, Inspired By UK	Differentiated — no direct competitor in oriental luxury space
Pricing power	Low — customers expect low prices	Higher — brand story justifies premium
Recommended for	Launch phase — quick awareness and trial	Growth phase — loyalty, repeat purchase, margin

The recommended approach: lead with dupe-adjacent messaging to acquire the audience, then use heritage and brand story content to build the loyalty that sustains the business. These are not opposing strategies — they are sequential stages of the same brand journey.

05 PHASED BRAND STRATEGY

Based on the simulation findings, SimpluTech recommends the following phased brand positioning strategy for XYZ Perfumes Ltd.

Phase	Positioning Emphasis	Channels	Content Focus	Goal
Phase 1 — Acquire (Now — Month 3)	Inspired-by / dupe-adjacent. Transparent price comparison.	TikTok, Instagram Reels	Dupe comparison videos. 'Smells like X, costs half.' Bundle deals. Limited offers.	Build audience, drive first purchase, generate social sharing.
Phase 2 — Educate (Month 3–6)	Blend of dupe credibility + oriental heritage story.	Instagram feed, Stories, Email	Brand story content. Fragrance heritage posts. Named inspirations with XYZ Perfumes Ltd's own identity.	Convert one-time buyers into brand-aware repeat customers.
Phase 3 — Own (Month 6+)	Independent oriental luxury. Own names and identity lead.	All channels + independent retailers	Heritage campaigns. Oud and oriental tradition storytelling. Gift and occasion positioning.	Build brand equity, increase pricing power, establish long-term loyalty.

06 RISKS AND MITIGATIONS

The simulation surfaced the following risks specific to XYZ Perfumes Ltd's brand positioning decision.

Risk	Potential Impact	Mitigation
Pure dupe positioning commoditises the brand	Price-only loyalty lost to cheaper competitor	Begin heritage content in Phase 1 — even small doses build identity alongside dupe messaging

Independent identity fails to gain traction quickly	Slow growth if heritage story doesn't connect	Test both content types simultaneously. Let data decide which converts better before committing.
Legal risk from naming designer brands directly	Designer brand takes action against comparison content	Never claim to be the designer brand. Use 'inspired by' language. Avoid logo or trademark use.
Brand message inconsistency across channels	Confuses customers — dupe on TikTok, luxury on website	Create a simple brand guide: approved language for each channel and positioning phase.
Heritage story not credible without substance	Consumers see through inauthentic storytelling	Root the story in real details — founders' backgrounds, fragrance origins, specific ingredients, cultural context.
Competitor brands undercut on dupe pricing	XYZ Perfumes Ltd loses price-sensitive customers	This is exactly why migrating to independent identity matters — it creates a moat competitors cannot cross.

07 NEXT STEPS

With all three simulations now complete, the following actions are recommended to translate the Scenario 3 findings into immediate activity and to move toward a combined strategic review.

#	Action	Timing	Owner
1	Produce first dupe comparison Reel — 'Inspired by [designer], £28 vs £120'	This week	Client · XYZ Perfumes Ltd
2	Write one paragraph of brand heritage story for the website About page — founder background, oriental tradition, fragrance philosophy	Week 1–2	Client · XYZ Perfumes Ltd
3	Draft a simple brand language guide: what XYZ Perfumes Ltd does and does not say on each platform	Week 2	Client · XYZ Perfumes Ltd
4	Add 'inspired by' language to Amazon and website product descriptions — transparent and legally safe	Week 2	Client · XYZ Perfumes Ltd
5	Plan a 4-week content calendar mixing dupe comparison content (Phase 1) with one heritage story post per week	Week 2	Client · XYZ Perfumes Ltd
6	SimpluTech — compile all 3 scenario reports into combined Executive Strategy Report	This week	SimpluTech · AI Simulation
7	Joint review session — align all 3 simulation findings into a unified XYZ Perfumes Ltd growth strategy	Within 2 weeks	SimpluTech + Client

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