THE USE OF FACEBOOK AS A MEANS OF MARKETING COMMUNICATION FOR LUXURY BRANDS

WIOLETA DRYL\textsuperscript{a}, LUCIANA DE ARAUJO GIL\textsuperscript{b}, TOMASZ DRYL\textsuperscript{a}
\textsuperscript{a} University of Gdansk, Poland
\textsuperscript{b} University Diego Portales, Santiago, Chile

ABSTRACT
The presence of luxury brands in social media is getting more intensive. Although the management of luxury products requires the use of specific marketing tools, manufacturers of luxury goods follow current trends by engaging in activities such as blogs, tweets and social networks. Until recently, the presence on social networking sites, such as Facebook, was considered in the category of threats to corporate reputation. Nowadays, many luxury brands treat Facebook as a mandatory tool of creating their image.

The aim of the article is the analysis of the activity of manufacturers of luxury goods on Facebook. Due to strong transparency of the fashion industry, the considerations set out in the article focus precisely on this sector.

ARTICLE INFO
Available online 23 March 2017

Keywords:
Luxury brands, social media, Facebook, luxury products

JEL: M31.
Doi: 10.19197/tbr.v16i1.69

INTRODUCTION
The development of social media in the last decade has fundamentally altered the way in which consumers seek and exchange information on products. With unlimited access to the Internet and social networks consumers have more control over the information they are looking for and the method of their use and exchange (Booth & Matic, 2011, pp. 184-191; Campbell et al., 2011, pp. 224–238; Mirchevska & Markova, 2011, pp. 229–236). Social media are now recognized as the most effective tool in creating brand awareness, while allowing to understand the consumer and their needs (Ozuem et al., 2008, p. 1070). According to Megapanel PBI/Gemius research, at the end of 2015, Facebook was a leader among social networking sites in Poland (about 20 m users).
The luxury goods market has consistently defended itself against modern tools used successfully in the mass markets. This resulted primarily from concerns about the destruction of the luxurious image of the brand.

It turns out, however, that even such a conservative market ruled by specific, almost paradoxical laws, must follow the changing world and make the adjustments required by customers. Luxury goods have entered the virtual world and, despite widespread doubts, they have successfully operated in it without losing its exclusive aura.

The article aims to analyze the activity of luxury fashion brands in the social media space on the example of Facebook. The paper presents good practices in relation to activities undertaken on Facebook, and also the results of research on the most active brands, while receiving the best results in this respect.

SPECIFICITY OF LUXURY PRODUCTS AND ITS CONSEQUENCES FOR THE CONCEPT OF MARKETING MANAGEMENT

It is very difficult to define the concept of luxury in a clear and indisputable way. The sector of luxury goods is subject to dynamic changes, both on the global and Polish markets. Although the sale of luxury goods is constantly growing, along with the number of publications on this subject, there is still lack of clear and comprehensive definition of the term (Ciornea et al., 2012, pp. 325-340).

The phenomenon of luxury raises many discussions, both among theorists of many fields of science and practitioners or consumers. The basic problem is to identify where the luxury begins, when the product is no longer the average mass commodity and when it takes on the character of luxury (Sekora, 1977, p. 23).

The ambiguity of the concept of a luxury product stems both from its interdisciplinarity and relativity. A comprehensive definition of luxury products should define them as high-quality expensive goods, which are rare, exclusive, original and prestigious (Tynan et al., 2010, pp. 1156-1163), for which demand is growing with the increase of their prices (Leibenstein, 1950, p. 189) and the level of desire by other consumers (Leibenstein, 1950, pp. 115-116), purchased in order to achieve a high social status (Bagwell, 1996, p. 349), not under the influence of needs, but desires, not in order to eliminate the discomfort, but in order to provide pleasure (Berry, 1994, p. 3).

The specificity of luxury products has an impact on their marketing strategies. The most important objective and a major challenge for companies operating in the luxury goods market is to create the aura of inaccessibility, prestige and exclusivity around the brand and the product itself. It requires the development and consistent application of the appropriate marketing strategy. The conclusions from the analysis of literature and the experience of producers of luxury goods help to identify the main differences between marketing strategies of luxury and mass goods and the phenomena of luxury and mass products (Table 1).
Table 1. Difference between mass and luxury goods

<table>
<thead>
<tr>
<th>Factors</th>
<th>Mass goods</th>
<th>Luxury goods</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product</strong></td>
<td>• the possibility of multiple product variants, while maintaining their mass character&lt;br&gt;• the service level range from low to high&lt;br&gt;• the quality level range from low to high</td>
<td>• highly customized or limited edition of products&lt;br&gt;• very high personal service&lt;br&gt;• craftsmanship&lt;br&gt;• very high quality</td>
</tr>
<tr>
<td><strong>Place</strong></td>
<td>• availability in as many places as possible, providing the convenience of purchase associated with the product’s category</td>
<td>• limited availability&lt;br&gt;• direct sale or via licensed retail outlets</td>
</tr>
<tr>
<td><strong>Price</strong></td>
<td>• value for money&lt;br&gt;• increase of prices causing a decrease in demand</td>
<td>• premium pricing&lt;br&gt;• increase of prices causing an increase in demand</td>
</tr>
<tr>
<td><strong>Promotion</strong></td>
<td>• high promotional activity&lt;br&gt;• mass recipient of promotional activities&lt;br&gt;• the use of the largest possible number of media, both ATL and BTL&lt;br&gt;• promotional activities exposing functionality of the product</td>
<td>• low promotional activity&lt;br&gt;• promotional activities directed to a narrow audience&lt;br&gt;• selected media, mainly ATL&lt;br&gt;• promotional activities exposing the luxury nature of the product</td>
</tr>
<tr>
<td><strong>Economic definition</strong></td>
<td>Goods for which demand increases as prices rise</td>
<td>Goods for which demand decreases as prices increase</td>
</tr>
<tr>
<td><strong>Decision-making process</strong></td>
<td>Range from routine or low-involved to high-involved decisions depending on the consumer and the category of product.</td>
<td>High involvement with extensive information search throughout the decision-making process.</td>
</tr>
<tr>
<td><strong>Brand extension decisions</strong></td>
<td>Based on R&amp;D activities</td>
<td>Based on marketing of luxury goods</td>
</tr>
</tbody>
</table>


Marketing management of luxury brands requires specific tools, different from those used on the mass market. The basic principles of traditional marketing do not apply in this area. The essence of luxury products as mentioned above is based on a paradoxical relationship between price and demand for these goods. This paradox also affects the tools used in luxury brand marketing. D. Dubois describes the marketing of luxury brands as paradoxical. Author recognizes the fact that its basic principles stand in complete contradiction with the principles of mass products marketing. As the main objectives of the marketing strategy of luxury goods, D. Dubois recognizes: craftsmanship, high cost, high price and limited distribution, low promotional activity and advertising with no sophisticated copy strategy (Chevalier, Mazzalovo, 2008, p. 14).
D. Dubois considerations, however, oscillate around a basic set of tools of the marketing mix, such as: product, price, distribution and promotion. Practical experiences in marketing of luxury goods result in a broader view at this problem in the literature. According to R. Aurora efficient management of the luxury brand requires the involvement of 8Ps, including tools such as performance, pedigree, paucity, persona, public figures, placement, PR and pricing (Arora, 2010, pp. 5-19).

Although the scope of these tools is much wider than the traditional 4P, it should be noted that they have common points. Performance is an element of the product. Pedigree results from a particular product management, but also becomes an important element of the promotion. Persona, public figures, and PR are part of the traditional approach of promotion. In contrast, price and placement can be uniquely identified with the price and place in the traditional sense of the marketing mix 4P of mass products.

It should be noted that, regardless of the scope of the marketing tools recommended on luxury goods market, their main objective is to achieve a certain degree of unavailability of the product. At this point, there appears reasonable doubt whether the presence of luxury brands in the Internet space is well-founded, especially in social media. Because of their mass character, social media are in conflict with the basic requirements of the development of marketing strategies of luxury goods. It is known, however, that there are luxury brands on the market which have their profiles on Facebook and yet still they are accompanied by an aura of exclusivity. It turns out that the mass media, such as Facebook, do not have to threaten the luxurious character of the goods, provided that they will be used in an appropriate manner.

WHEN LUXURY APPEARS ON FACEBOOK – HOW TO DO IT THE RIGHT WAY?

According to the CEOs of America’s largest companies, social media will have the greatest impact on attracting the attention of customers, stimulating innovation, improving customer service and maintaining the culture of the organization at the desired level (Kesavan, Bernacchi & Mascarenhas, 2013, pp. 58-66). The economic practice also shows that social media are used in business as the company’s reputation management tool, monitoring the external environment. They allow to understand and meet the needs of stakeholders, and they are also perfect as a tool for crisis management in the organization (Schultz & Goritz Utz, 2011, pp. 20-27).

In the last decade, luxury brands have turned toward marketing communication using social media. The development of Internet technology gives manufacturers of luxury goods an opportunity to interact with their buyers. Luxury brands are subject to the current trends, by engaging in activities such as blogs, tweets and presence in social networks. Most manufacturers of luxury goods approach technological innovations with great caution. Specific concerns were related to the risk of losing exclusive, elitist nature of the products. Active involvement in the mass media stands in contradiction with the theoretical framework of luxury goods marketing strategies.

Consequently, the main goal for luxury brand managers is to verify if the key dimensions of luxury value perception are translated into a consistent online appearance: premium prices, limited distribution, website aesthetics, customer
integration, and emotional attachment. By creating a well-integrated interaction of online and offline experiences, luxury brands can still keep the sense of exclusivity by offering selective content and services to the brand’s traditional customers (Hennings et al., pp. 5–7).

But as H. Rubinstein and C. Griffiths consider, the successful appearance in the social media space requires consideration of four basic aspects, such as (Rubinstein & Griffiths, 2001, p. 400):
- delivering a consistent brand experience,
- integrating all the expressions of the brand,
- establishing brand awareness,
- measuring every new initiative against the brand.

It is worth to consider if luxury fashion brands have clearly fulfilled these demands, while appearing on Facebook. Only recently, luxury brands have begun to consider new technologies, such as social media, in the category of chance, not only threats to their image, as it was before. Contrary to the first forecasts, social media do not always have a negative impact on the reputation of the company. Interaction with customers through social networking sites, such as Facebook or Twitter, builds sympathy for the brand, positive feelings and stimulates the desire to own luxury product (Kim & Ko, 2012, p. 2).

According to Kemp “luxury fashion brands need to balance exclusivity with accessibility” (Kemp, 2009, p. 7). Through the process of establishing brand equity by presence in social media, luxury brands can offer their consumers a sense of mutual dependence. The best way of understanding consumers’ needs is to have a direct line of conversation with them through the platforms created by social media (Mousseaux & Li, 2013, p. 15). “Social media also function as referral sites that divert traffic onto luxury brands’ official website and increase the chances for consumers to look into luxury brands” (Corcoran, 2009, pp. 20–21).

According to the opinion of practitioners in the field of marketing management of luxury goods “social media is no longer an optional marketing consideration. Luxury brands must deliver brand experiences online to see continued success” (Abrams Research, p. 6). With a deep understanding of the principles on the use of social media luxury brands can directly communicate with their audience, promote their products and further their brand equity.

In order to successfully achieve these goals, luxury brands must meet several conditions, namely (Abrams Research, p. 6):
- translate unique brand elements to social platform,
- adapt business practices to the online business model,
- identify and expand audiences,
- empower consumers,
- manage customer relations.

A social platform is an extension of brand. Its aesthetics and functionality should be consistent with the brand’s offline image. The cohesion of unique brand elements and its social media image is paramount to success.
The next good practice is to adapt business practices to the online business model. Brands should not force traditional media campaigns into social media. According to M. Phan, R. Thomas and K. Heine an “old” marketing approach will view social media as nothing more than a new sales and PR channel (2011, p. 220). Luxury brands should start from planning the core message that need to be communicated. Every luxury brand has its story, ethos that can be the centerpiece of messaging in social media, whether it is impeccable service, history of the owner of brand, or a commitment to innovation.

Every online activity requires the identification of appropriate audience. Brand has to find the corresponding digital space that coincides with its marketing strategy. The very popular trend of impulsive joining the largest social media sites, based on the rule “one size fits all approach”, is not appropriate for luxury brands. The reckless use of social media to increase exposure is not a good practice and it may hurt the brand in the long term. Treating social media only as the next venue for press release might cause the loss of consumers’ interest. For luxury brands, the challenge is not only harnessing social media to promote the brand, but also to cultivate an aura of exclusivity. It demands targeting the appropriate audience that knows how to leverage social media on brand’s behalf. Social media can be the venue for brand lovers to show off their standing to others. By limiting direct communication to target audiences, luxury brands keep the aura of exclusivity and benefit from consumer endorsements within their social networks (Abrams Research, p. 14).

Consumers of luxury products often use luxury brands as status symbols. They identify themselves by brands they purchase. They want to be a part of the brand. The process of empowering consumers requires some specific practices from luxury brands owners, such as (Abrams Research, p. 18):

- becoming a part of the consumer’s online status and identity,
- bringing the consumers into the brand narration through creative marketing initiatives that incorporate user generated content, such as encouraging photo uploads,
- humanizing the brand by directly communicating with followers and letting the brand’s personality shine,
- replying to comments and answering questions that will be seen by other consumers,
- delivering content that provides a deeper experience of the brand.

One of examples of good practices in this area is Burberry. The brand is very active in social media. It regularly posts on such platforms as Facebook, Twitter and YouTube. But apart from that, in October 2009, Burberry launched its own social networking site called ‘Art of the Trench’. Burberry encourages consumers to share their stories about a trench coat and to post pictures of them wearing their trenches. From the submitted images Burberry regularly selects its favorites and posts them on its homepage. The main aim of the idea of ‘Art of the Trench’ is to stimulate the consumers to interact with the brand’s culture. At the same time, Art of the Trench brings the customer closer to the brand by creating a sense of belonging and affinity to the brand. According to J. Werdigier “This type of social network is a major step that all luxury brands are watching, because the future of brands may be written with personal platforms and social media” (Werdigier, 2009).
Social media play an important role in the process of customer relationship management. By maintaining an active social media presence, brands can respond quickly to customers and situations. More importantly, brand should use social media to proactively establish consumer loyalty, Social media profiles can also be used as pulse of consumer sentiment. Brands should monitor their social media activities to avoid crises before they start, do instant damage, control or engender fans that will fight on a brand’s behalf (Abrams Research, p. 21).

To succeed in social media, luxury brands must translate their essence to the web and leverage the unique capabilities of digital space to reach consumers.

HOW THE BEST BRANDS DO IT?

The presence of luxury brands in the social media space began in 2009. The forerunner of action in this respect was Gucci. While introducing eyewear collection for young buyers, the brand at the same time launched on its website a multicultural social network “Guccieyeweb.com”. Burberry followed the footsteps of Gucci and in November 2009 launched a social network “Artofthetrench.com” with the aim of a non-commercial character of this page. The premise of the company was to create the atmosphere of admiration and desire around the flagship product of Burberry, namely a trench coat. The aim of the brand was also to create a channel of communication with the customer. It turned out, however, that through actions in social media, Burberry sale via the website increased [Samsung Design Net].

Dolce & Gabbana uses social media in order to obtain rapid feedback from customers. The brand invites fashion bloggers to its shows, and they immediately publish information about the show on Facebook, Twitter and other popular media. In this way, customers can watch the latest collections of their favorite brand directly, without involving the editors of fashion magazines or vendors. They get immediate feedback and they do not have to wait for the new issue of the magazine or the appearance of the collection in the store.

The mere presence on social networks is not enough. The effectiveness of activities undertaken in this area is particularly important and can be assessed taking into account many variables. One of the interesting proposals of tools that can be used for this purpose is the Posting Density Matrix. The main idea of the matrix is the comparison of the level of engagement to the number of posts in the selected time range. The level of engagement is the sum of Likes, Shares and Comments.

Considering the above variables, there are four fields within the matrix, namely:

- Orators – brands with the low number of posts and very high engagement,
- Networkers – brands with the high number of posts and very high engagement,
- Introverts – brands with the low number of posts and low engagement,
- Chatterboxes – brands with the high number of posts and low engagement.

The analysis of the 6 top luxury brands, such as Burberry, Hermes, Louis Vuitton, Chanel, Prada and Gucci, shows that Louis Vuitton reaches the best results in this area. The analysis was carried out during the period of Winter-Summer 2014 (1 January 2014 – 31 May 2014). The results are shown in Figure 1.
Taking into account the results of the analysis, Louis Vuitton and Chanel achieve a high degree of involvement of the followers in comparison to the number of posts. Both brands may be called Orators. Posting 3 and 2 times less than Burberry, Chanel and Louis Vuitton managed to get 30% and 70% higher engagement, respectively, which means they are spending fewer resources on content creation, but they are still getting more attention.

Despite recording the highest number of posts among the analyzed brands, Burberry does not have as many involved followers as Chanel or Louis Vuitton. The brand has still a relatively good posting strategy and potential reach (the number of followers), but there is still room for improvement, perhaps by benchmarking some good practices from Chanel and Louis Vuitton.

According to the position of Gucci (Chatterboxes), the brand should find the main directions for improvement: adjust the content strategy / time to post / the followers’ acquisition and definitely change its strategy on Facebook. As its position shows, it is not the number of posts that is most important, but the number of involved active followers.

The least active on Facebook, among the analyzed brands, are Hermes and Prada. Despite the fact that Prada is quite active when it comes to the number of posts, it does not have too many active followers. The brands need to make their presence on Facebook stronger.

Similar studies on the activity of luxury brands in social media are also conducted by Unimetrics. According to the results of Unimetrics studies (2015), the leaders in terms of followers’ engagement are Louis Vuitton, Dior, Burberry, Chanel and Gucci. The users’ involvement was assessed by the calculation of Comments, Likes and Shares.
that each Facebook post receives. The results of the study by Unimetrics are shown in Figure 2.

![Figure 2. Engagement of Facebook users.](image)

**Source:** own work on the basis of the report by Unimetrics, Top performing luxury brands on social media, https://unmetric.com/top-performing-luxury-brands-on-social-media, [date: 11.05.2015].

Taking into account only ‘likes’ on Facebook profiles of the above-mentioned brands, up to date (may 2016), the most ‘liked’ brand is Louis Vuitton. The results of all brands in this area are shown in Figure 3.

![Figure 3. Number of Likes of top fashion luxury brands.](image)

**Source:** own study.

The indisputable leaders in terms of the number of ‘likes’ are Louis Vuitton and Burberry. However, it should be mentioned that Gucci, Chanel and Dior achieved very similar high results. An interesting fact is that among all the above-mentioned brands only Burberry’s Facebook admins never reply to any fan posts.

It seems reasonable to check what kind of activity of brands on Facebook users like. Taking into account the results of the above described studies, it turns out that, indisputably, the most likable posts are those relating to products showcases (66% of profile users). The study related to Facebook profiles of such brands as Burberry, Hermes, Louis Vuitton, Chanel, Prada and Gucci was conducted in the period of Winter-Summer 2015. The exact results of the study are shown in Figure 4.
An interesting result is the low percentage of likes of posts showing “celebrities wearing products”. It should be mentioned that pictures of celebrities do not appear on the profiles of brands by accident. They are accepted by the people responsible for the content of the company profile on Facebook. The most important criterion for selecting a celebrity should be the correspondence of his/her personality with the personality of the brand. However, the greatest concern about the involvement of celebrities in brand promotion is the lack of control over their image and the risk of transferring the celebrity’s bad reputation onto the opinion about the brand.

CONCLUSION

Facebook is a very powerful medium. It is the most popular social networking site and the number of its users is constantly growing. Finest global companies have their profiles on Facebook. The mere presence of the company on this website does not guarantee success. In contrast, reckless operation and lack of control over what happens on the company profile can bring significant damage.

The presence in the Internet space, used to arouse in luxury brands serious concerns. The mass media were standing in contradiction with the assumptions of marketing strategies suitable for luxury products. Social media were treated by luxury business with special reserve. However, recently luxury brands began to appreciate the power of these media, treating presence on them even as a requirement of modern market realities.

The main aim of the article was to present the good practices in relation to activities undertaken on Facebook, and also the results of research on the most active luxury brands, while receiving the best results in this respect. One of the most transparent sectors of luxury business is fashion. That is why the authors of the article decided to focus their considerations on this sector.

Luxury fashion brands are very active on Facebook. It turns out that Facebook profiles of many of them are enjoying the huge popularity. According to the analysis of the Posting Density Matrix, the highest level of user engagement enjoys such brands as
Louis Vuitton, Chanel and Burberry. Their posts on Facebook receive a high number of Likes, Shares and Comments. These brands are very active and the number of posts placed by them also distinguishes them among other luxury fashion brands.

Previous experiences of luxury brands in relation to activities undertaken on Facebook allow to point out some basic principles that should be respected by Facebook users who want to achieve success in this field.

The brand profile on Facebook should be treated as part of its image. Treating Facebook only as the next venue for press release may cause the loss of consumers’ interest. For luxury brands, the challenge is not only harnessing social media to promote the brand, but also to cultivate an aura of exclusivity. Consumers of luxury fashion products want to be a part of the brand. That is why Facebook profiles of luxury brands should become a part of the consumer’s online status and identity. Luxury brands should directly communicate with their followers by humanizing the brand. Facebook gives brands opportunities that are unavailable for other media. It is a two-way communication channel between the brand and the follower. Listening to the voice of followers may be as effective as marketing research. With deep understanding of principles on the use of Facebook, luxury brands can directly communicate with their audience, promote their products and further their brand equity. Brands like Louis Vuitton, Chanel and Burberry have already proved that.

REFERENCES


Sotrender (2013). *Social media is so trendy – czy za rok również tak be dzie?* Warszawa, Sotrender.

