SOCIAL LUXURY

- AN ALLIANCE BETWEEN LUXURY BRANDS AND SOCIAL MEDIA

MASTER'S THESIS

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Executive summary

Today the Internet is an interactive medium where people are no longer passive observers, but active participants and content co-creators characterized by communicative reciprocity. The global phenomena which is social media with its dramatically increasing degree of social online activities among most consumer segments makes it an inevitable communication force for even luxury brands to consider. Is the democratic and therefore chaotic nature of social media compatible with the exclusive and therefore often reclusive media behaviour of most luxury brands? A strategic standpoint is necessary to carry the luxury brands successfully into the new social media era.

The purpose with this thesis has been to find out: *"What are the premises for maintaining luxury brands in a social media era?"* The problem statement has been approached from a luxury brand management viewpoint and investigates if Facebook can be a favourable platform for luxury brands from three different aspects: the luxury brand identity, brand user relationships, and product awareness.

In order to investigate the field of research we have chosen four case studies. We have made use of netnography to collect data eligible for a semiotic analysis of the case studies, with the purpose of providing insight into how various luxury brands communicate on Facebook. The semiotic analysis supported findings in the main analysis.

The main analysis shows that Facebook offers a vast amount of tools to convey the online luxury brand identity and can function as a favourable luxury brand extension. The challenge is to create a communication strategy that communicates the luxury brand identity on Facebook. Moreover, Facebook can arguably be a favourable social media platform for creating relationships for luxury brands if they can control its message by creating boundaries, barriers and understand which users add value to the luxury brand identity in terms of e.g. generating WOM. Creating product awareness through Facebook seems to show that success is to a large extent dependent on the communication strategy seeking to convey the luxury brand identity on Facebook and the engagement strategy seeking to create relationships to users on

Facebook. Thereby the synergies of activities on Facebook are important for luxury brands to use Facebook as a platform to create product awareness.

The analysis have led to the three following premises for maintaining luxury brands on Facebook:

- **Never compromise or change core values of the luxury brand identity when communicating on Facebook**

- **Convert Facebook users into valuable luxury brand assets by activating them as engaged brand ambassadors**

- **Deepen the users' understanding of the luxury brand identity through iconic product stories, exposure and experiences, creating a more educated and therefore engaged brand ambassador**

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1.0 Introduction

In recent decades, the media landscape has experienced a monumental fragmentation mainly due to the advent of the Internet with its infinite communication possibilities. But even the Internet itself has undergone a dramatic change. Today the Internet is an interactive medium where people are no longer passive observers, but active participants and content co-creators characterized by communicative reciprocity. This interactivity is represented by a vast amount of social media platforms that satisfies consumers' need for a constant online being, constant connectivity with ones personal network, the proofing of social belonging, and the accessibility of social knowledge in order to become socially empowered. The global phenomena which is social media with its dramatically increasing degree of social online activities among most consumer segments makes it an inevitable communication force for even luxury brands to consider. Is the democratic and therefore chaotic nature of social media compatible with the exclusive and therefore often reclusive media behaviour of most luxury brands? A strategic standpoint is necessary to carry the luxury brands successfully into the new social media era.

Fleur Gastaldi states about luxury online: *"The brand's website is the central marketing tool to create an emotional relationship with potential customers."* (Hoffmann&Coste-Manière 2012: 111). However, partner at social media consultancy Konxion, Thomas Thomsen states that websites are dead and life is to be found on social media[1]. Moreover "*Facebook IS the Internet*" according to L2 Think Tank (Galloway 2011: 1). The immense connectivity power and communication opportunities in social media cannot be ignored by luxury brands and therefore the luxury brands should *"… try to work on these strategies because social media is so powerful"* (Bøilerehauge 2012). However, social media is a jungle, which consists of many communication possibilities, and even more communication traps. More integrated solutions are needed and a willingness to seek and understand these solutions. Adapting to social media might risk the luxuriousness and superior status of luxury brands, considering the democratised nature of social media. The nature of luxury brands is far from democratic. Therefore the

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[1] http://www.konxion.dk/

overall challenge for most luxury brands becomes not only to assess if their principles of luxury branding are compatible with social media communication paradigms, but also to define their premises for successful online luxury brand behaviour in a social media context. Especially considering the fact that most luxury brands already have a social media presence – whether it makes sense for luxury or not.

With the conflicting natures of luxury brands and social media in mind, the most pressing agenda becomes to understand how luxury brands can be present in social media without compromising their luxury values and even utilize social media's interactive nature to further enhance the brand's luxuriousness.

Therefore, this thesis will try to navigate within the sphere of luxury brands and their behaviour on social media. We will try to understand why many luxury brands are un-luxurious on Facebook and how they can overcome this challenge, while maintaining their core luxuriousness.

1.1 Problem statement

What are the premises for maintaining luxury brands in a social media era?

The problem statement approaches the incompatibility of luxury brands and social media and seeks to identify the premises that luxury brands can comply with to maintain a luxurious status in a social media environment from a luxury brand management viewpoint.

In order to narrow down our social media focus to answer the above problem statement we have created a work question that centralises Facebook, as the social media type dealt with

throughout this report. The work question is "How does Facebook support or limit luxury brands?" This question seeks to make us as researchers aware of consequences and possibilities Facebook possess for luxury brands.

The next step in the process of investigating the problem statement is to break down the work question into research questions and determine what elements of luxury brand management we will have a look at.

- Can Facebook be a favourable social media platform for luxury brands to create brand identity?
- Can Facebook be a favourable social media platform for luxury brands to create relationships?
- Can Facebook be a favourable social media platform for luxury brands to create product awareness?

2.0 Theoretical Framework

2.1 Luxury

Luxury is a continual challenging concept within the academic field, in societal debate and management. It is a contradicting concept, often perceived according to current societal structures. During the last decades the attitudes towards lifestyle and culture have changed, and the premises for classes and identities have been reformulated, and are considered more democratic (Carlson 2007: 4). Jean-Noël Kapferer and Vincent Bastien say *"New words have been recently invented and promoted that add to the complexity: masstige, opuluxe, premium, ultra-premium, trading up, hyperluxury, real or true luxury, and so on."* (Kapferer&Bastien 2008: 311).

Today values are central as means of creating identity and group belonging. The consumer culture holds a high focus on semiotic meanings and symbolic associations, rather than functional utility, as a value-based way of becoming a part of a certain group (Chaney 2004: 36, 41, 44). Thus, people have become their own authors of who they want to be, by buying or 'clicking' or 'liking' into a specific set of values. This is enhanced by an increasing globalisation and the emerging digital landscape, allowing individuals to represent themselves to a larger group of people (Chaney 2004: 36, 41, 44). The shift in the consumer culture requires that luxury is able to offer a set of communicative values, which goes beyond the brand name, to allow consumers to position themselves (Okonkwo 2007: 60).

2.1.1 Luxury through time

In order to define and understand luxury today it is necessary to look into the history of luxury. Kapferer and Bastien note that in order to be able to market luxury, it is important to understand where it is coming from (Kapferer&Bastien 2009: 5).

Luxury has through time been subject of moral concerns and negativity. As Berry (1994) describes, it goes back as far as the classical Greek, where luxury was connected to emasculation and making men soft and incapable as warriors. Luxury was encouraging envy and dispute, threatening the social order and harmony (Berry 1994: 59, Csaba 2008: 11, Mortelmans 2005: 498-99). However, according to Veblen the Greek philosophers distanced themselves from industrial processes to underline their worthy and respectful life, through luxurious habits (Veblen 1953: 42). This underlines the conflicting views upon luxury even as far back as the classical Greek.

The Romans adopted the thought of luxury as being negative, undermining civic virtue and enhancing greed among others. They created public regulations to keep it under control, for example in terms of regulating women's clothing, the possession of gold and banning foreign wine. Both Greek and Roman thought reflects a desire of creating harmonious social order, wiping out signs of social stratification and supporting the national economy, by connecting luxury with greed and emasculation it was sought to be an unappealing concept (Berry 1994: 84-86, Csaba 2008: 11). Christian thought adopted these negative views upon luxury, and deemed it as a concept in line with lechery (Berry 1994: 87).

The view upon luxury changed during the 17th and 18th centuries into a rather commercial aspect, connected to civility, taste, comfort, fashion and moderation – an economy of quality. Among others was Adam Smith, who argued that the consumption of luxury was a driver of economy (Csaba 2008: 12-13, Kapferer&Bastien 2009: 9). Moreover as the masses got larger social freedom, the closed aristocratic space was opened up and luxury got accepted as a driver of economy.

Luxury has through time been influenced by societal, religious, political and economical developments, and is also today facing challenges. Luxury is social, as it essentially has to do with processes of social stratification, distribution of wealth and utility versus waste. The views and perceptions of luxury may vary from one society to another; hence it is not a universal concept (Kapferer&Bastien 2009: 9, Dubois et al. 2005: 123, Corbellini&Saviolo 2010: 21). One might go on to say that luxury is a mirror of society.

2.1.2 What is luxury all about then?

In order to capture and illustrate the concept of luxury, three conceptions will be presented in the following, which will function as the centrality of luxury in this thesis.

The concepts are based on three different perspectives – the Veblian effect, the dream factor and the levels of luxury – that should depict the social role, the basis of luxury communication and the borderlines of luxury. They are chosen to create a coherent picture and illustrate the diverse traits of luxury, which should be considered when managing luxury brands.

2.1.2.1 The Veblian effect

American sociologist and economist Thorstein Veblen wrote his book 'The Theory of the Leisure Class' (1899), in which he describes and conducts a social analysis of the aristocratic upper class and their ways of showing off their wealth. He describes the consumption pattern of luxury goods as conspicuous consumption and waste, which emphasizes the inferiority of the upper class (Veblen 1953: 78). In this regard it is noteworthy that being wealthy is not enough to create differentiation from lower classes. Veblen points out that to obtain societal power, the wealth must be showed off in public spaces through a selective process of distinction (Veblen 1953: 42, 61), hence underlining the importance of putting wealth into evidence. Luxury and knowledge of how to show it off can thus be regarded as a necessity in order to be a part of the limited and powerful upper class. Moreover, in order for luxury to be acknowledged for its function and worth, it is relevant that the environment recognises and has knowledge of the value (Kapferer&Bastien 2009: 69).

Corbellini and Saviolo argue that the Veblian role of luxury is present today, especially in emerging luxury markets. They point out that in more developed markets luxury is besides being a status symbol, a tool in expressing oneself, with focus on pleasure (Corbellini&Saviolo 2010: 21).

2.1.2.2 The dream factor

Corbellini and Saviolo state that when managing luxury brands *"keeping the dream alive is a key success factor"*. This is what separates the truly successful luxury brands from the average (Corbellini&Saviolo 2010: 161). Where the basic product matches a basic need, such as thirst or hunger and the branded product corresponds to a want, such as a specific beverage, the luxury product is separated from other products, as it communicates to people's dreams, which goes beyond needs and desires (Kapferer&Bastien 2009: 159-160).

Corbellini and Saviolo say that the dream factor is a balancing act, as it communicates to the general public but only invites the happy few into an exclusive world (Corbellini&Saviolo 2010: 221). The message has thus to be broad enough to make many people find themselves in the dream universe, however only few will have the means to purchase the dream.2 It puts an emphasis to the anti-law stating that one must 'communicate to those you are not targeting' *"It is essential to spread brand awareness beyond the target group, but in a very positive way – brand awareness is not enough in luxury: it has to be prestigious"* (Kapferer&Bastien 2012: 73) thus the communication level expected by luxury brands are higher. Kapferer and Bastien argue that every time a luxury product is purchased a bit of the dream and luxury brand is vulgarised and killed, hence the need for constant recreation of the dream by creating barriers, be it through semiotics, pricing or complexity of acquisition, which will be returned to further down (Kapferer&Bastien 2009: 70, 210).

2.1.2.3 The levels of luxury

Corbellini and Saviolo have created a pyramid, which aims to explain and position the different levels of luxury. At the top of the pyramid there is *supreme luxury*, which entails unique, handcrafted pieces that are exclusive and unique. Next there is *lifestyle luxury* that focuses on series production, high quality, heritage and exclusive channels of distribution. This is followed by *accessible luxury*. This kind of luxury entails high fashion, a focus on price and quality as well as accessibility through distribution channels and communication. Lowest is the so-called

masstige, which entails consumer goods, their quality and location mixed with the aesthetics and distribution visibility of luxury goods (Corbellini&Saviolo 2010: 112-113).

Fiske and Silverstein further add two new layers to the pyramid. The first one is *accessible superpremium*, which are products with high quality and price, but are in the low-ticket product classes. Hence, something the majority of consumers can buy, such as pet food or perfumes. The next is *old luxury brand extension*, which refers to the offering of lower priced products or sub-brands from established luxury companies. They argue that these new kinds of luxury goods separate themselves from old luxury by reinforcing emotional ties with products and brands, instead of focusing on class and exclusivity (Fiske&Silverstein in Csaba 2008: 16).

These different layers of the luxury pyramid show how the concept is indeed multi-faceted and widely used. What is luxury for some is not luxury for others (Kapferer&Bastien 2009: 38, Carlson 2007: 2). Additionally, the rise of multiple luxury layers reflect the concept of 'new luxury', which Fiske and Silverstein defines as: *"…products and services that possess higher levels of quality, taste and aspiration than other goods in the category but are not so expensive as to be out of reach."* (Fiske&Silverstein 2003: 3). It conflicts with the traditional notion of luxury that dictates that the higher the price is, the lower the volume should be to maintain the exclusivity. Instead new luxury sells at higher prices and higher volume (Fiske&Silverstein 2003: 3), allowing more people to participate in the luxury universe.

Laurent, Dubois and Czellar have made a research of consumer attitudes towards luxury, which has proven that there are three general attitudes in Western culture. These are; the elitist segment, which believes that luxury should be restricted to the happy few; the democratic segment, which thinks that everyone should have access to luxury; and the distant segment, which does not feel any kind of belonging to luxury. Despite the fact that these segments have very different approaches to luxury, they largely agree on luxury as being something hedonic and pleasant, as well as it holds a symbolic meaning, revealing something about who we are (Dubois et al. 2005: 120-121).

The latter perception fortifies the notion of the Veblian effect, as this argues that conspicuous consumption and use of luxury is a tool in social positioning, and says something about who we are. Arguably, this is more significant in the elitist segment, as they believe that luxury is restricted to the happy few and holds a certain social and differentiating value (Dubois et al. 2005: 120). The consensus among all three segments that luxury is something pleasant and hedonic can be connected to the dream factor. The dream about luxury as bringing pleasure into one's life should consequently be considered important no matter which segment or level the communication is directed. Considering the levels of luxury, one might argue that luxury has become somewhat of a borderline landscape, allowing more people than earlier to enter into the luxury landscape. New levels, such as accessible superpremium, are supposed to create stronger emotional bonds with the customers, and take focus off class and superior exclusivity, which may be in the spirit of the democratic and distant segment. One could argue that the dream factor and the elitist/Veblian segment become even more radical, complex and prestigious as a reaction towards this development.

The blurry levels of luxury are not the only things in transition. The society surrounding luxury is also undergoing change, which in the end affects the luxury landscape.

2.1.3 The changing luxury landscape

Along with the 20th century there has been a wave of change in society, which has affected the luxury landscape today and blurred the otherwise clear boundaries. In the following we will seek to provide an insight into these changes in the Western culture, which should be taken into consideration when managing and navigating luxury brands today.

Changes in supply and demand
The changing luxury landscape is contingent on changes and re-structuring of processes on both the supply and demand side. The changes become important when considering strategic long-term initiatives within luxury, such as entering new markets and customer loyalty creation.

On the supply side the entry barrier has been lowered due to better practices in business, the globalisation and the Internet (Okonkwo 2007: 70, 225, Kapferer&Bastien 2009: 13). This has given rise to a range of emerging luxury brands. Secondly the infrastructure has changed from small private companies to large conglomerates (Okonkwo 2007: 226), e.g. LVMH, Sanofi Group, Gucci Group, PPR and Richemont. Further, the global supply chain networks has allowed faster production and lower costs, as well as outsourcing possibilities that decrease manufacturing costs. Places such as Asia and East Europe have enabled this. The pitfalls to the global supply chain networks is that the control is out of hands, and that the quality might not always live up to the luxury standard, as well as it might not even be considered true luxury anymore, because the product has lost its cultural roots and cannot justify the high price level (Okonkwo 2007: 70, Kapferer&Bastien 2009: 14, Silverstein&Fiske in Csaba 2008: 16).

On the demand side there are a range of demographic factors affecting the luxury landscape. A large group of luxury consumers has emerged due to higher private income and thus an increase in spending power. Consumers are becoming younger, which may lead to a longer lasting spending curve, and emphasizes the importance of creating loyal customers. The increased spending power allows the mass to get a chance to liberate aspirations and become a part of the happy few (Okonkwo 2007: 68, Kapferer&Bastien 2009: 13). A growing amount of people with higher education has given middle class consumers more financial freedom as well as a higher sophistication when acquiring goods and services (Silverstein&Fiske in Csaba 2008: 17). The increased spending power has empowered the travelling consumer and thus a globalised market. Tourism is globally counting for around 25 per cent of the luxury goods purchases, being an important source of income (Okonkwo 2007: 69; Kapferer&Bastien 2009: 13).

As argued the Veblian effect still exists today, the dream factor is a key characteristic of luxury branding, meanwhile the changing levels of luxury and societal transitions are blurring the traditional notion of luxury – new luxury being the caterer to the middle class as argued in an article from CNN (Appendix 6).

How to manage and sustain luxury brands and separate these from the different types masstige, accessible luxury, lifestyle luxury, supreme luxury, and old and new luxury brand extension has become somewhat of a challenge, which we will elaborate on next.

2.1.4 Managing the dream factor

After having explored the foundation of luxury brands, the following chapter provides an overview of the managerial reflections and techniques important for understanding how to manage luxury brands. Point of departure in this challenge will be in the difference from traditional marketing techniques, the elements of a luxury brand will be mapped, followed by how to create a coherent brand identity and building and managing a luxury brand.

2.1.4.1 Why luxury requires different management

Kapferer and Bastien have developed 24 anti-laws of marketing peculiar to luxury, in order to pinpoint how traditional marketing techniques cannot be applied to luxury. Essential elements of these anti-laws are; a heavy focus on symbolic functionality *"2. Does your brand have enough flaws?"*; not letting the customers dictate direction *"3. Don't pander to your customers' wishes"* and *"6. Dominate the client"*; eliminating all kinds of comparison*"1. Forget about 'positioning', luxury is not comparative"* and *"16. Keep stars out of your advertising"*; and following a rarity strategy *"7. Make it difficult for clients to buy"* and *"15. Do not sell"* (Kapferer&Bastien 2012: 65).

The development of social media and online solutions today contradicts and makes it hard for luxury brands to comprise anti-law 7 and 24 *"24. Just sell marginally on the internet"* (Kapferer&Bastien 2012: 83). Further, Kapferer and Bastien stress the anti-law *"Keep stars out of your advertising"*, but they are aware of the fact that stars and luxury brands always have gone hand in hand together, and stress the fact that even the most famous clients must be dominated due to luxury's superior status (Kapferer and Bastien 2012: 77). To 'dominate the client' is also the intention with the anti-law *"17. Cultivate closeness to the arts for initiates"*

stating that *"luxury is not a follower: it is creative and bold."* (Kapferer&Bastien 2012: 78) and *"The luxury brand is a promoter of taste, like art."* (Kapferer&Bastien 2012: 78).

The main argument behind these anti-laws is that luxury brands require different handling because it is a social dynamic, which seeks to recreate the social layers and enhance stratification (Kapferer&Bastien 2009: 61). Thus, it becomes necessary to follow the anti-laws and seek to create distance from the masses, by communicating a dream-universe that is aspirational for the many (*"10. Communicate to those whom you are not targeting"*) but only reachable for the few with the right means (*"5. Don't respond to rising demand"*).

Even though the main argument of luxury as a social stratifier may seem unviable today, it is arguably a tool in constructing a certain identity and creating group belonging for consumers. In either case the idiosyncratic management of luxury adds features, characteristics and values to the luxury brand, which aims to differ it from the mass market.

2.1.4.2 The luxury brand

Kapferer and Bastien state that *"a luxury brand is a brand first, luxury second"* (Kapferer&Bastien 2009: 117), hence defining what a brand is the basis of characterising a luxury brand.

According to Kotler a brand is *"a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors."* (Kotler 2009: 276). His definition is rather broad and market-oriented, in the sense that the focus is on separating one brand from others'. According to Aaker the brand identity is important, because it provides the brand with direction, purpose and meaning. The brand identity is a main driver of strategic initiatives and brand equity. Aaker defines brand identity as *"…a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members."* (Aaker 2002: 68). Aaker goes on to emphasize the customer-relationship: *"Brand identity should help establish a relationship*

between the brand and the customer by generating a value proposition involving functional, emotional or self-expressive benefits." (Aaker 2002: 68).

Kapferer and Bastien argue that the brand is the essence in luxury. The brand is wrapped up in the heritage, the aspirational dream elements together with other associations, which have been built up over time, and thus functions as a quality stamp being projected into the products and people possessing it – a social visa (Kapferer&Bastien 2009: 116).

2.1.4.3 Luxury brand traits

The luxury brand can be defined as a brand with a *"coherent system of excellence"* (Corbellini&Saviolo 2010: 26). The luxury brand contains traits, aiming at differing it from the mass market. These traits are 'imaginary & storytelling, high price, innovation & creativity, selective distribution, superior service, exclusive communication, superior quality, and tradition & heritage' (Corbellini&Saviolo 2010: 26).

Appadurai argues that incarnated signs, which are rhetorical and social, build up luxury brands. Luxury goods are defined by a specific way of consuming, and not necessarily a specific class of products. He lists five attributes that comply with abovementioned: *"(1) restriction, either by price or by law, to elites; (2) complexity of acquisition, which may or may not be a function of real "scarcity"; (3) semiotic virtuosity, that is, the capacity to signal fairly complex social messages (as do pepper in cuisine, silk in dress, jewels in adornment, and relics in worship); (4) specialized knowledge as a prerequisite for their "appropriate" consumption, that is regulation by fashion; and (5) a high degree of linkage of their consumption to body, person, and personality."* (Appadurai 1986: 38).

Both observations correspond to the anti-law argument. The focus is to a high degree on a certain set of traits and signs, both tangible and intangible, which defines the luxury brand and differs it from the mass market.

2.1.4.4 The luxury brand identity

The identity is the core of the luxury brand. It is where the uniqueness, timelessness and authenticity lie. Kapferer and Bastien state that *"Luxury is a 'superlative' and not 'comparative'"* (Kapferer&Bastien 2009: 62). Thus, forget about positioning in luxury, but focus on sustaining the core identity, to stay 'superlative'. It becomes essential to know the brand from inside out and create coherence. The brand identity articulates both the tangible and intangible characteristics of the brand – the DNA and essence of the brand (Kapferer&Bastien 2009: 121, Okonkwo 2007: 110).
As noted above, Aaker believes that the brand identity is important as it provides the brand with texture and can be considered a strategic steering element.

The management of brand identity requires a coherent brand and thorough knowledge about it, to create depth and texture. One way to do this will be presented in the following.

2.1.4.5 The brand identity prism

Kapferer has developed a *brand identity prism*, in order to break down and analyse a brand's tangible and intangible characteristics, and understand the brand identity as a whole. Kapferer and Bastien have chosen to include the brand identity prism as an element in their book 'Luxury Strategy', and therefore it will be regarded as a noticeable factor in managing luxury brands in this report.

The prism is made up of six facets, and distinguishes between sender and receiver, as well as external and internal facets (Kapferer&Bastien 2012: 148).
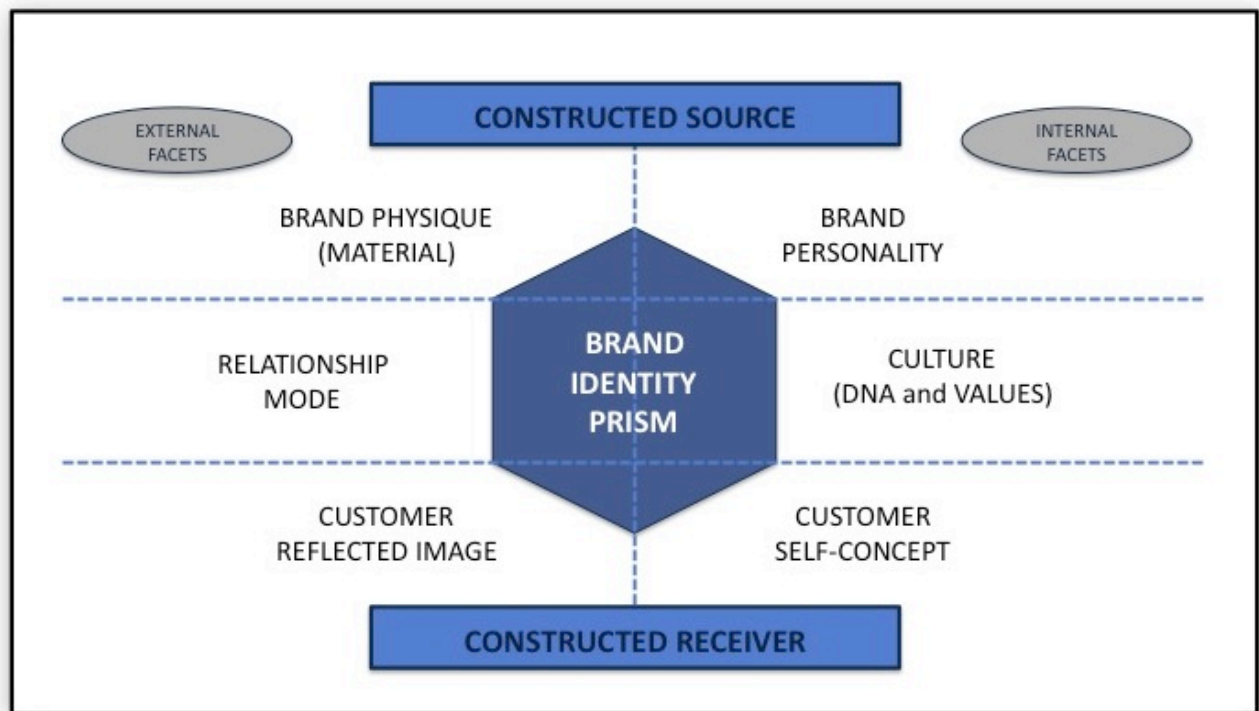
The brand identity prism (Kapferer&Bastien 2012: 148)

1. The physical facet of the brand is referring to the communication of the codes, signs, gestures, colours and traits that are specific to the brand. They represent a semiotic grammar, and a symbolic part of the brand.

2. The brand personality reflects the soul and character of the brand. In luxury it is often based on an actual person's characteristics, which are translated into the brand.

3. Relationship is an external facet, symbolising the relationship between the customer and the brand. This may be an intangible exchange of values.

4. Culture depicts brand DNA and values. It is the root of the brand, and is what the brand stays true to, when innovating and renewing. Often this is similar to the brand heritage.

5. The customer reflected image offers a reflection of a self, with who the customer can identify and buy him/herself into. This is known as the external mirror of the brand.

6. The customer self-concept depicts the internal mirror, a mentalisation in the customer. This refers to how the customer constructs him/herself through the brand. Which inner feelings the brand awakes in the customer (Kapferer&Bastien 2009: 122).

The six facets together are what creates an integrated and unique luxury brand, creating emotional ties with customers. To create the truly dedicated customers, it is necessary to *"…attach them to the deeper meaning of the brand…through its identity, rich, sourced from history or legend, the brand lends memory and culture to its products and knits intimate relationships with its followers."* (Kapferer&Bastien 2012: 150) The luxury brand identity prism is an important tool when creating a strong value proposition.

2.1.4.6 Creating a value proposition

Aaker defines the value propositions as: *"…a statement of the functional, emotional and self-expressive benefits delivered by the brand that provide value to the customer. An effective value proposition should lead to a brand-customer relationship and drive purchase decisions."* (Aaker 2002: 95).

Most often the functional benefit is the basis for the value proposition, as it presents the functional utility to the consumer (Aaker 2002: 95). The emotional benefit is providing the consumer with a positive feeling, and is often part of the strongest brand identities. Merging functional and emotional benefits often lead to strong brands, as they provide both positivity and utility (Aaker 2002: 97). Finally, the self-expressive benefits can be regarded as a means for a person to communicate and define a self-image through a brand (Aaker 2002: 99). Corbellini and Saviolo state that in luxury the symbolic elements are more important than the functional attributes (Corbellini&Saviolo 2010: 224), as they argue that the purpose is to create dreams and awake aspirations. It is about creating a dream-universe, rather than creating promises (Kapferer&Bastien 2009: 220-221).

Kapferer and Bastien list three additional values besides the symbolic value. These are usage value, exchange value and work value. The first value refers to the functional benefits of the product. This does not necessarily always speak in favour of the luxury brand, as a cheaper brand may have made something offering a higher usage value. The exchange value refers to the price of a product. Highly priced products only allow few people to buy it, which arguably makes it more exclusive and limited by nature. The work value refers to the mixture of coded luxury elements such as heritage or colour with unique know-how enabled by craftsmanship and artisans (Kapferer&Bastien 2012).

2.1.4.7 Building and managing identity

When building, growing and sustaining brands, there are a range of decisions to be considered to ensure survival and hopefully success. Elements when building and managing identity will be looked upon in the following.

2.1.4.7.1 Two brand building models

Kapferer and Bastian (2009) recognise two kinds of luxury brand building, depending on the maturity of the brand.

The first model is referring to those brands, which have a solid heritage and long history, upon which they are building the brand. These elements should be actively used to enhance the uniqueness and timelessness of the brand. The second model refers to the brands without history and heritage, thus they have to invent a story and a value-set, to which they have to remain true (Kapferer&Bastien 2009: 127).

Managing luxury brands is a balancing act between traditions and staying relevant and contemporary (Corbellini&Saviolo 2010: 161), while sustaining to brand core in order to ensure coherence (Kapferer&Bastien 2009: 126). Corbellini and Saviolo do not focus on luxury brands

without heritage as an opponent to above models by Kapferer and Bastian. One could assume that these represent two different viewpoints on 'real luxury'.

2.1.4.8 Growth tradeoffs

Having established a strong brand does not mean that it is no longer relevant to manage the growth. Keller argues that managing growth tradeoffs is essential, as it might mean the difference between success and failure.

For luxury it is particularly interesting to look into the tradeoffs between *exclusivity versus accessibility* and the dilemma of being unique and for the happy few versus sufficient growth in sales and profits, which often means a larger customer base. The tradeoff concerning *classic versus contemporary images* refers to the tension between the focus on traditions and heritage versus a more contemporary image relevant for prospective and younger customers. Finally the dilemma of *acquisition versus retention* is about where to focus marketing resources – maintaining profitable existing customers or focus on potential profitable future customers (Keller 2008: 293).

These tradeoffs become arguably more important considering the changing luxury landscape, which is affected by democratisation, digitalisation and a changing customer base. More specifically, social media stands in contrast to what traditional luxury preaches, and puts large focus on these tradeoffs.

2.1.4.9 Avoiding the pitfalls

Knowing where brand activities might go wrong, is arguably just as important as how to do it right in order to steer around the pitfalls. Aaker lists four traps; only three of them will be mentioned and used, due to their relevance in this report.

Separating the brand image from the identity is necessary to avoid the *brand image trap.* Where the brand image is based on past actions and how consumers and other stakeholders perceive the brand, the brand identity is active and future-oriented. It is important not to let the customer dictate what the brand is, thus a core focus on identity is essential (Aaker 2002: 69-70). This is in line with Kapferer and Bastien's anti-law of marketing number 3, which states that a brand should never pander their customers.

Aaker states with the *brand position trap* that the identity should never be mistaken for position. This could lead to a superficial focus on the brand, such as product attributes, neglecting the brand personality, associations and symbols. One must keep in mind how identity can strategically steer the brand, whereas brand position cannot (Aaker 2002: 71). Number 1 of the anti-laws of marketing even goes on to say that luxury brands should never focus on positioning and comparison with other brands, as they should be unique brands, with a strong brand identity.

Understanding that a brand is more than a product is to avoid the *product attribution fixation trap.* Being caught in the trap makes it harder to distinguish a brand from those of competitors, because focus only lies on functional attributes. Corbellini and Saviolo reinforces this by stating that luxury brands should have a main focus on symbolic values this is fortified by Kapferer and Bastien saying that the functional benefits should be used if it is a 'usage value' beyond standards. Aaker further notes that organisations caught in this trap are often of the belief that the buying process is rational, which is naive today considering the high customer sophistication. Further, a heavy focus on functional attributes will limit potential brand extensions and the strategic flexibility is reduced, as well as it becomes harder to react to market changes (Aaker 2002: 76).

Kapferer has created three communication glitches, which supplement and adds up to Aaker's traps.

The first glitch is when an organisation imitates a competitor and fails to build its own brand (Kapferer 2008: 175). The brand identity prism is a tool convenient to use in building up an individual identity. This glitch is in line with the anti-law number one 'forget about 'positioning', luxury is not comparative'.

The second glitch happens when an organisation seeks to please customers and other stakeholders, by creating an appealing image, which neglects the brand identity. Kapferer refer to this action as *meaningless cosmetic camouflage* (Kapferer 2008: 175). This is in line with Aaker's brand image trap and the anti-law by Kapferer and Bastien 'do not pander to your customers' wishes' and presumably leads to the anti-law 'dominate the client'.

Finally we have the last communication glitch, which is a fantasised identity, where an organisation perceives itself as something it is not. This gap between reality and fantasy might be quite visible to potential customers and other stakeholders, hence creating a risk of rejection, as the brand seems incoherent, irrelevant and confused (Kapferer 2008: 175).

Summing up, luxury is a concept that requires a certain balance to maintain the luxury identity. The borders of luxury have been broadened and the luxury landscape is changing, from being something for the few, today the many has the means to buy themselves into the universe of luxury. Thus, luxury today is a democratised tool in the process of social positioning and stratification. The transient character requires idiosyncratic and specific management, in order to navigate successfully in the luxury landscape while maintaining the luxury core. Okonkwo sums this up: *"Luxury brands that desire to succeed in the marketplace must develop strategies that address the difficult paradox of the combination of exclusivity and availability and appeal to many while appearing right for only a special few."* (Okonkwo 2007: 242).

2.2 Social media marketing

Social media has gained foothold in our private lives more than ever. It is becoming a matter, which increasingly becomes an important topic when executives discuss and form the business

strategies of tomorrow (Schneiderman et al. 2011: 34, Kaplan&Haenlein 2010: 59, Hanna et al. 2011: 269). It has *" … altered the ways most individuals conduct business, make buying decisions, communicate personally and professionally and spend leisure time, and this impact continues to grow and morph into almost every aspect of daily life."* (Hill&Moran 2011: 818).

Forbes has stated that when it comes to creating social media strategies *"A failure to adapt is the failure to survive"* (Crandell 2012: 1), underlining the immense importance of understanding how to make use of social media today. Therefore, we will seek to understand the vital elements, which should lead to a digital redemption for luxury brands.

This chapter will explore the nature of social media by answering the following questions. What is social media? How does it differ from the traditional media? What social media types exist? What are the different user characteristics? How should one approach social media? How to handle and manage the key traits of social media? And what are key assets of the social media platform Facebook? Eventually, these questions should create a solid foundation from where our analysis will look in depth with the online possibilities and pitfalls for luxury brands. During this chapter we will highlight particular interesting tensions and compatibilities between social media and luxury branding from a theoretical standpoint.

2.2.1 What is social media

What social media is may be hard to define precisely, because it is embedded in constantly changing technological and social processes (Kaplan&Haenlein 2010: 61). The following will present social media and the setting it is within.

Social media is made of two words: Social and media. Where social refers to the basic need of connecting with likeminded groups of people, media refers to the means that we use to create these connections (Safko&Brake 2012: 4). This is not something new. What is new is the online setting. Safko and Brake define online social media as follows*: "Social media refers to activities, practices, and behaviors among communities of people who gather online to share information,*

knowledge, and opinions using conversational media. Conversational media are Web-based applications that make it possible to create and easily transmit content in the form of words, pictures, videos, and audios." (Safko&Brake 2009: 6).

Social media is acting within a Web 2.0 environment. The term Web 2.0 refers to a change in the way of using the Internet. In a frequently quoted article in Business Horizons Kaplan and Haenlein (2010) note that from being a one-way medium (Web 1.0), the Internet is now defined as platforms where users are allowed to participate in the creation of content (Kaplan&Haenlein 2010: 60-61, Hanna et al. 2011: 265). One type of participatory content-creation is referred to as *user-generated content* (UGC). OECD has defined UGC based on three factors; first, it must be accessible online. Second, it has to contain a certain amount of creativity, thus not be a replication. Third, the content has to be created outside professional settings (Kaplan&Haenlein 2010: 61, OECD 2007: 4). UGC leads to new ways for the users to produce, distribute, access and re-use information and knowledge, which leads to higher autonomy and increased participation among online users (OECD 2007: 5). UGC cannot be generated on a brand's Facebook brand page, as it has to be created outside professional settings. However, by 'sharing' Facebook material from a Facebook brand page to a user's personal Facebook profile can arguably be classified as UGC.

With this in mind Kaplan and Haenlein define social media as: *"…a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0 and exchange of User Generated Content."* (Kaplain&Haenlein 2010: 61).

2.2.2 A like economy

The increasing importance of social media marks a shift in the use of the Internet and the way social encounters are capitalized upon. It has gone from measuring the number of *hits* and *links* to focus on *likes.* These likes reflects interconnectivity, through the use of social buttons: *"…the emerging Like economy is creating a fabric of the web that capitalizes on the value of any potential social activities."* (Gerlitz&Helmond 2011: 26). The social buttons appear on e.g. blogs, news websites and social media platforms and they function as a way of sharing, bookmarking,

liking or recommending content (Gerlitz&Helmond 2011: 1). In this sense the buttons function as web glue between online platforms, and thus form social dynamics into countable metrics (Gerlitz&Helmond 2011: 11), which allow for measuring the number of views, visits, shares, likes or subscriptions (Safko&Brake 2009: 676). This functions as an indicator for how many has an interest in the published content and the degree of interest. The degree of interest is reflected in the type of interaction or engagement one performs. E.g. a Facebook-fan can be considered a more loyal and valuable user, than someone who only visited a brand page without any further interaction, e.g. not liking the Facebook brand page. The act of using a social button is social and personal as content is being connected to social platforms and the sharer being connected to a personal profile (Gerlitz&Helmond 2011: 24). The personal and social factors are according to Gerlitz and Helmond important, as a like from one user on e.g. Facebook is supposed to generate more likes from the user's online social network (Gerlitz&Helmond 2011: 26).

The like economy is considering likes as a way of counting activity online. One may argue that this is merely a superficial reflection of user engagement, as the real and substantial opportunity lies in understanding how a brand can activate and derive value from a Facebook brand page like. However, a like could be regarded as the key for opening up the possibility of creating engagement and loyalty. The question is how to go from a like to encourage sharing, commenting and engaging with the brand online.

In this thesis the likes are limited to focus on Facebook and can be divided into two types; a 'brand page like' - when a Facebook user likes a Facebook brand page, and a 'brand content like' – when a Facebook user likes e.g. a video, photo or status update from a brand page.

2.2.3 Traditional versus social media

Social media challenges a range of traditional marketing beliefs, and where social media and traditional media differ is relevant to consider from a brand management perspective, as it

sheds light on the potential gaps that should be bridged between offline and online activities in order to create a strong luxury brand.

It is stated that social media costs less and is easier to measure than traditional media[2]. This may be questioned as one can argue that online content is not necessarily cheaper to create and maintain, as it requires attention 24 hours per day and constant content management.

Social media allows for two-way communication between users and the organisation, whereas traditional media is characterised as being a one-way medium. Two-way communication offers an opportunity to communicate directly with users, which may proof valuable[3]. However, one can argue that it does take many resources to create fruitful conversation between an organisation and its users online, and there is a risk of miscommunication, waste of resources and frustration from both sites. Communication between the users is also a consideration a brand should bear in mind and in best case facilitate.

Getting an online platform established and recognised may indeed be time consuming, as users are offered tons of possibilities online[4]. In this regard when traditional media puts up a billboard or an ad in a magazine, it is harder not to notice walking in the streets or buying a magazine, which emphasizes a possible advantage of combining offline and online media.

The control of online content can be challenging as it disseminates rapidly and is out of control of the sender. On the other hand, a message that is spread fast may also reach a large audience, which can be an advantage.[5]

Considering traditional marketing beliefs as opportunities and aligning traditional and social media, the brand message can become even more powerful and omnipresent, creating extensive reach, intimacy and engagement: *"…companies should view their approach to social media as an integrated strategy that brings consumer experiences to the forefront, all whilst*

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[2] http://www.mediabistro.com/alltwitter/social-vs-traditional-media-marketing_b25389
[3] http://www.mediabistro.com/alltwitter/social-vs-traditional-media-marketing_b25389
[4] http://www.mediabistro.com/alltwitter/social-vs-traditional-media-marketing_b25389
[5] http://www.mediabistro.com/alltwitter/social-vs-traditional-media-marketing_b25389

recognizing that Internet-based media does not replace traditional media." (Hanna et al. 2011: 268). Therefore, paid media should function as a catalyst to maintain and sustain user engagement. Owned media should be used to create long-term relations with customers, by spreading the brand message on more than one platform. Successful coordination and integration between paid and owned media should result in positive earned media, such as WOM (Appendix 7).

2.2.4 Social media classification

Social media may be perceived as an umbrella. The following figure (Kaplan&Haenlein 2010) will illustrate a classification of social media types, which will function as a useful tool in this report to understand, investigate and analyse how luxury brands create success in social media.

		SOCIAL PRESENCE/MEDIA RICHNESS		
		low	medium	high
SELF-PRESENTATION/ SELF-DISCLOSURE	high	Blogs	Social networking sites (e.g. Facebook)	Virtual social worlds (e.g Second Life)
	low	Collaborative projects (e.g. Wikipedia)	Content communities (e.g. YouTube)	Virtual game worlds (e.g World of Warcraft)

Classification of social media (Kaplan&Haenlein 2010: 62)

Kaplan and Haenlein are categorising the different types according to the degree of social presence/media and self-presentation/self-disclosure, which are terms stemming from the fields of media research and social processes within social media. Where social presence and

media richness are referring to the media and the degree of communication they allow, self-presentation and self-disclosure are related to the social aspect of integrating the self in a medium (Kaplan&Haenlein 2010: 61).

'Social presence' refers to the degree of contact between communicators, through acoustic, visual and physical contact. Kaplan and Haenlein state: *"Social presence is influenced by the intimacy (interpersonal vs. mediated) and immediacy (asynchronous vs. synchronous) of the medium."* (Kaplan 2010: 61). A telephone conversation (mediated) has a lower social presence than a face-to-face conversation (interpersonal), and e-mail (asynchronous) has lower than Skyping or online chatting (synchronous). The higher the social presence, the higher the impact and influence on behaviour (Kaplan&Haenlein 2010: 61). 'Media richness' is in close relation to social presence. It seeks to diminish ambiguity and uncertainty in the communication. The more a medium allows for transmission of information, the lower the degree of ambiguity (Kaplan&Haenlein 2010: 61).

'Self-presentation' emphasizes how people hold a need to control and manage impressions, and create an image that they would like to portray to others. The second variable 'self-disclosure' is a way in which relationships are created, by revealing intimate and personal information, such as likes and dislikes (Kaplan&Haenlein 2010: 62). What should be considered here is the amount of self-presentation a medium requires in order to participate, and which kind of self-disclosure it allows. For example, a social networking site, like Facebook, allows and requires higher self-presentation and self-disclosure than a collaborative project, e.g. Wikipedia, as personal information may not be relevant for the latter, but is essential for the first (Kaplan&Haenlein 2010: 62).

This thesis will have a main focus on 'social networking sites' - more specifically Facebook. Even though we recognise that social media consist of more than Facebook, we will use social media and Facebook interchangeably to cover the same aspects. Kaplan and Haenlein define social networking sites as: *" … applications that enable users to connect by creating personal information profiles, inviting friends and colleagues to have access to those profiles, and*

sending e-mails and instant messages between each other. These personal profiles can include any type of information, including photos, video, audio files, and blogs." (Kaplan&Haenlein 2010: 63). The strongest example per date of a social networking site is Facebook (Kaplan&Haenlein 2010: 63). Social networking sites are supporting more immediate and rich two-way communication between brand and user, as well as user to user, emphasizing the importance of utilising user-populated channels to push a brand message and communicating with consumers to create understanding (Socha 2009) Facebook has a high degree of interfunctionality, i.e. builds bridges between several social media platforms. This marks a global trend and increase in platforms becoming more multimedia savvy (Singh et al. 2012: 685). An example could be video material uploaded on a Youtube channel and reposted/published/linked on a Facebook brand page.

2.2.5 The power shift

A shift in power has occurred between organisation and consumer due to a fragmentation in the media landscape, which has offered consumers new ways of interacting with brands (Aaker 2002: 30). Where the communication used to be one-way, from the brand to the consumer, today the communication is two-way, which social media allows for. Social media platforms have given the consumer a voice, which cannot and should not be neglected (Sernovitz 2009: 37). Furthermore, research has shown that *"…companies are now directly engaging users by using Twitter and Facebook pages to truly converse with them and not just push their own message."*(Singh et al. 2012: 686). Therefore, technological advancements, such as social media have removed barriers of participation and allow users to consume luxury brands that were not accessible earlier.

To explain this change it is relevant to look at the change in marketing communication. The traditional communication model by Schramm was composed by four elements: Sender, message, media and receiver. The purpose was to communicate the message to the right group of people. Pickton and Broderick (2005) have revised and expanded the model, and have named it 'the integrated marketing communication (IMC) process model'.
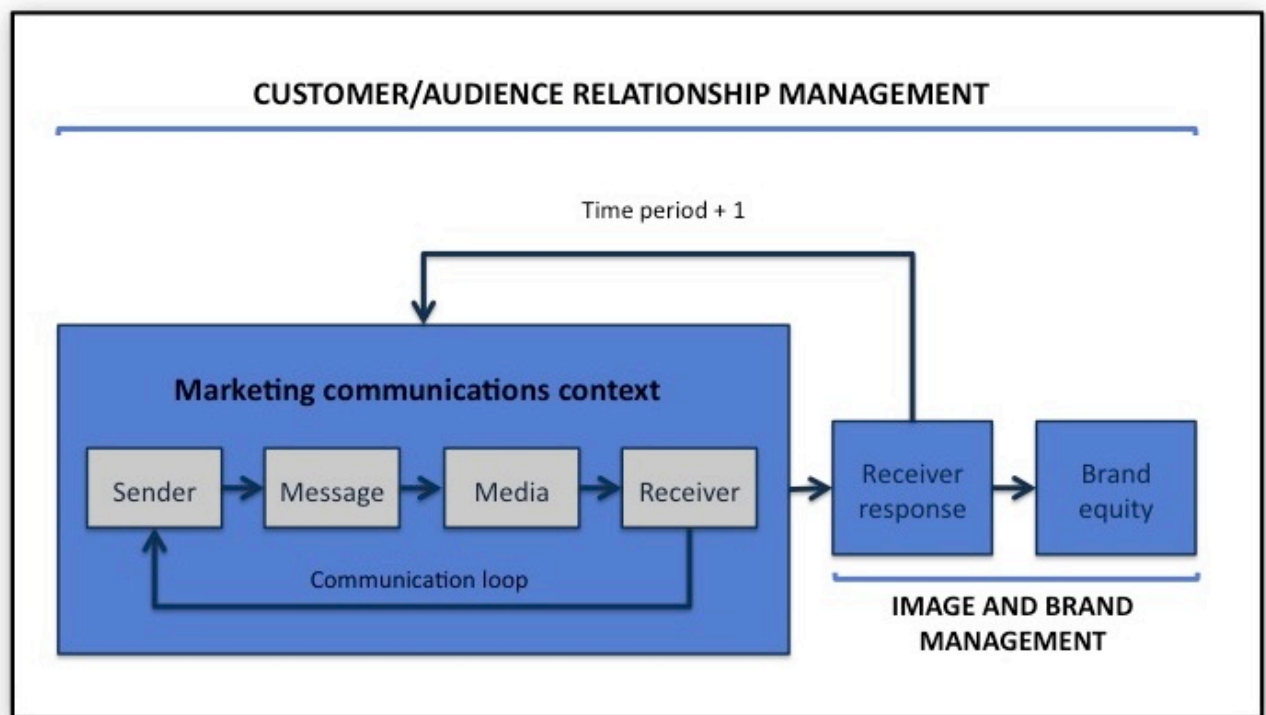
The IMC process model (Pickton&Broderick 2005: 6)

The communication loop represents how communication is not only one-way anymore, but has moved on to include two-way asymmetric and two-way symmetric communication. Where one-way communication is without feedback or dialogue, two-way asymmetric communication is defined as a delayed dialogue or communication flow. The richest form of communication is two-way symmetric communication, which is direct dialogue. Previously this kind of dialogue happened mainly through direct selling activities, but today's Web 2.0 environment has created new ways of interacting, allowing immediate, and almost direct interaction online (Pickton&Broderick 2005: 7-9). The 'receiver response' is attitude, behaviour and associations the consumers have towards the brand message. The responses are what constitute brand equity. The 't+1' element reflects the fact that the brand equity is alterable over time, as a result of receiver responses (Ibid 2005: 9). The turning upside down of the marketing communication has empowered the consumer (Hanna et al. 2011: 267) and an interactive environment influences the social media platforms, where brand-actions allow for consumer-reactions.

Luxury brands have for many years presented the luxury brand message to the public using one-way traditional media communication. However, two-way communication has been and still is an essential element of luxury brand communication with a small elitist group of customers offline (Kapferer&Bastien 2012: 71). Nevertheless, according to Okonkwo, this communication style is no longer as simple as that. The Web 2.0 has given the luxury consumer a voice and allows them to discuss, judge and accept or reject a luxury brand message more easily than earlier (Okonkwo 2010: 188).

We will in the following determine online user behaviour to provide understanding of how to engage with them successfully online.

2.2.6 The users

Understanding the users online is important as they represent the second participant in the two-way communication online.

It is noteworthy that users of social media *"… range from tech-savvy young adults to baby boomers and older adults seeking ways to reconnect with family and friends*" (Curran&Lennon 2011: 21). Naturally the younger and new generation heavily embrace social media (Hill&Moran 2011: 815). However, the diversity of the social media audience is stressed by the fact that the average social network user's age is 38 years old, e.g. Facebook has an average age of 37 years versus LinkedIn has an average age of 44 years[6].

2.2.6.1 The seven types of users

Singh et al. (2012) highlight a research conducted in thirteen countries, which determined seven types of global social media users. The first type is 'creators', who publish social content. The second type is 'conversationalists', who constantly update social content. The third type is

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'critics', who critique online social content. The fourth type is 'collectors', who gather content from social media. The fifth type is 'joiners', who join social media sites. The sixth type is 'spectators', who view social content. The seventh type is 'inactives', who have little social media activity (Singh et al. 2012: 684). From a brand management perspective one could argue that knowing which types ones customer base represent is important in order to create motivational content that leads to positive interaction on the media's terms, the user's terms, and the brands' terms.

2.2.6.2 Online activities

In order to understand how to activate users positively online, it is useful to understand what motivate them. A survey on the use of social media shows that the primary personal use of social media in EU is to 'connect with friends and family'. This is followed by 'read content' and 'connect with people' (Singh et al. 2012: 687). The first and third emphasize 'the need to connect with likeminded groups of people', which has previously been highlighted as being a basic need (Safko&Brake 2012). The ways in which social media is least used among users is e.g. reading reviews, finding a job and creating ratings, which reflects that social media's primary role is not to provide information, but allow for interaction (Singh et al. 2012: 687).

The Wave 6 survey by Universal McCann (2012) has pointed to the fact that the perception and purpose of social networks differs globally. The survey was conducted in 62 countries with 41,738 users in the age group of 16-54 (Wave 6 2012: 7). There has been developed four main categories - 'fun', 'connection', 'self-improvement' and 'enablement'. The Western world is heavily represented in the categories of fun and connection, which entails among others to express yourself, 'hang out', feel belonging, staying in touch with friends and seek other people's opinions (Wave 6 2012: 40). Once again this strengthens the centrality of social interaction and connecting with likeminded groups of people. Notably, the Western world takes a stance from self-improvement and enablement, which is about making money, earn respect, learn and managing one's life better (Wave 6 2012: 40).

The surveys are relevant for brands in order to understand the users' motivation to use social media. Furthermore, one could argue that the various business categories are affecting user motivation and perception. For example a luxury brand should consider different ways of motivating users than a social software company.

2.2.6.3 Online luxury users

All of the above types are also representing luxury consumers according to Okonkwo who states that today's luxury consumer is just as much online as any other consumer. The luxury consumer is empowered and influential, informed with luxury offerings making them specialist detectives in terms of spotting relevant material, more website loyal and less brand loyal, seeks to connect, share and dialogue online, and expects to be in charge (Okonkwo 2010: 267), emphasising above needs for connecting. Notably, a research by Unity Marketing shows that three-quarters of affluents have a social networking profile[7]. Though one could argue that this covers a large percentage of luxury consumers and is in accordance with Okonkwo. The research reveals that the main activity is to acquire information and make purchase decisions, and only one in four has 'liked' a luxury brand[8]. In terms of website loyalty one should consider the questionable role of websites today compared to social media platforms as mentioned in the introduction. Moreover, Okonkwo point to the fact that luxury consumers today want to be conversed with. And whether or not the luxury brand converses with them, the luxury consumers will converse about the luxury brands with other consumers (Okonkwo 2010: 210). Online luxury brand management should consider the fact that luxury consumers might be any of above social media types, but as a luxury brand marketer one should integrate the consumer attitudes towards luxury, namely the elitist, the democratic and the distant segment (Dubois et al. 2005), which reflects the complexity of segmentation of online users and luxury users.

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[7] http://www.bizreport.com/2010/03/luxury_brands_will_find_affluents_on_social_networks.html
[8] http://www.bizreport.com/2010/03/luxury_brands_will_find_affluents_on_social_networks.html

2.2.6.4 Creating online relationships

The interactivity between brands and users online has increased. However, the interactivity does not necessarily lead to a successful brand-user relationship. It requires careful strategic consideration, as well as coherent management of the brand in its online setting. We will in the look into what it takes to create a positive brand-user relationship online.

Porter et al. present a figure that approaches how to foster and sustain user engagement in order to create relationships in online communities. It consists of three layers that explain how to create active user-engagement in online platforms (Porter et al. 2011:82). The first layer is of particular interest in this thesis, as it provides knowledge of user needs and motivations in relation to online platforms. Porter et al. deem it necessary to have this knowledge in order to engage users and create engagement. Porter et al. list seven needs that characterise the online user: 'Information' is an important need for members of a community in terms of either learning, solving a problem or making a decision. 'Relationship building' is another need, which require interaction to create productive relations between users. 'Social identity/self expression' refers to the need to have self-awareness in relation to a group, and the individual pleased by the emotional and cognitive connection. 'Helping others' is explicit and refers to the joy and value in helping other users. 'Enjoyment' is characterised as when users feel a flow when interacting with others, and thus feel in control. 'Belongingness' is a need, which is rooted in the need of feeling accepted by the community and that the user feels that its contribution is respected. 'Status/influence' is referring to get a certain status and influence in the community (Porter et al. 2011: 81). These needs correspond to the user activities mapped above, considering the need for connecting, feel belonging, self-expression and enjoyment.

Colliander and Dahlén have made research, which centralises the relevance of para-social interaction (PSI) in social media. PSI is defined as: *"…the illusion of a face-to-face relationship with a media performer."* (Colliander&Dahlén 2011: 314), and thus refers to a relationship where one part has a great knowledge about the other but it is not returned. A high amount of PSI will lead to higher influence on the consumer, due to an increase in credibility towards a brand. The findings of the research *"…highlight the need for transparency of blogs, and other*

social media." (Colliander&Dahlén 2011: 319). Thus, a high level of PSI is contingent on the user's credibility and trustworthiness of the sender. Colliander and Dahlén argue that word of mouth (WOM) emphasizes PSI, due to the positive effects WOM can generate, such as higher credibility as the 'advertising' comes from likeminded groups of people, and not necessarily the brand itself (Colliander&Dahlén 2011: 314). We will return to WOM later in this chapter.

It is noteworthy to take into consideration that self-disclosure (Kaplan&Haenlein 2010) is the foundation for relationships online, as mentioned above. This emphasises the importance of understanding what motivates users in an online environment, to create material that corresponds to user needs and increases the trustworthiness of the brand.

The issue of credibility and trustworthiness is important when dealing with social media. Studies have shown that credibility is listed as one of the most influential factors within persuasion. It becomes particularly important in an online setting, where the user does not have the possibility to test, try and examine a product or service. One might say that depending on the sender the credibility will vary. A blogger may seem more unbiased than a brand blogging about its latest product launch (Colliander&Dahlén 2011: 315). A high level of media richness (Kaplan&Haenlein 2010) also has an influence on the credibility, depending on the amount of information revealed to reduce ambiguity. Social networking sites is rated as medium in terms of media richness and social presence, and can be regarded as a good platform of encouraging PSI, as it allows for online discussion among the users, as well as between users and the brand itself.

It is important to emphasize that it is not necessarily as easy as it seems to create engagement and relationships in online settings. Jeffrey Graham, the executive director of The New York Times states: *"Engagement is like love – everyone agrees it's a good thing, but everyone has a different definition of what it is."* (Porter et al. 2011: 83). The quote highlights the complexity of the task while also underlining the importance - 'engagement is like love'. And arguably love is equal with loyal consumers creating conversation about the brand in their network, which

increases credibility of the brand. However, this is not the only challenge brands face on social media, as we shall see in the following.

2.2.7 Social media challenges

Social media represents a range of challenges that brands face today. In the following these challenges will be presented from an external and internal perspective, as they are essential when wanting to understand, analyse and be able to manage a brand in an online setting.

Kaplan and Haenlein (2010) list five advices for a brand to consider when entering the social media environment.

'1. Chose Carefully'. There are many types of social media platforms to choose from and it is close to impossible to be dedicated and present on many. It is important to be aware of the possibilities of reaching your customers and not wasting valuable resources in pursuing customers, which are not even using a given social media platform (Kaplan 2010: 65).

'2. Pick the application/platform, or make your own'. One should either invest in making a platform or benefit from an existing one with its user base and facilities (Ibid: 65).

'3. Ensure activity alignment'. Make sure that the different actions in regards to social media are all aligned with each other. The communication online should not be contradictory, but on the contrary diminish ambiguity (Ibid: 65).

'4. Media plan integration'. In continuation of the former, one must remember to create coherence between traditional media and social media. It is about maintaining and developing the corporate image both offline and online (Ibid: 65).

'5. Access for all'. All employees should have access to social media platforms. But, in order not to lose valuable labour hours on networking one could create teams, with the purpose of managing corporate social media (Ibid: 66).

Christine Crandell, contributor to Forbes Leadership, adds up to the advices by introducing six social success factors:

1. Listen, analyze, and engage, continuously
2. Integrate social into the flow of work
3. Plan for change and the unexpected
4. Turn on the network effect
5. Remove barriers to participate
6. Enable everyone to participate

(Crandell 2012).

The abovementioned advices are approaching both internal and external aspects to be considered in order to create suitable online interaction and conversation between brands and consumers. They set up challenges and considerations, as well as they back each other up. It can be argued that Crandell's fourth social success factor 'turn on the network effect' is comparable to Kaplan and Haenleins's fifth advice 'access for all', as turning on the network effect inevitably means opening up communication from all users, internal and external. Crandell's third social success factor 'plan for change and the unexpected' is concerning all five advices by Kaplan. It may be regarded as a warning that despite of intensive planning, social media is out your hands. Crandell's first social success factor stresses the participatory and interactive nature of social media, i.e. two-way communication. The last two factors by Crandell are emphasizing the democratic aspect in social media. This is where luxury may face a core challenge meeting social media, which is reflected in Appadurai's approach to luxury as being something restricted to the elites and complex to become a part of, emphasizing that luxury is not something that everyone should be able to participate in. The participatory characteristics of social media stand in contrast to traditional luxury and highlight the relevance of new luxury

today, as this can be regarded as a more democratic approach to luxury and perhaps more suitable for social media.

Where the abovementioned advices are focusing on the practical site of social media, Kaplan and Haenlein extend by including five communicative advices: 1. Be active, 2. Be interesting, 3. Be humble, 4. Be unprofessional, 5. Be honest. Acting honest, unprofessional, humble, interesting and active is a way for one to come across as real, which is the profound foundation behind social media and its communication (Kaplan&Haenlein 2010: 66), which was also established above in terms of creating relationships online.

The fourth advice 'be unprofessional' is categorised by a consumer trend firm as being 'flawsome'. Flawsomeness is about embracing flaws, and using them to come across as a brand that consumers can relate to, and thus not be distant and impersonal but rather transparent. This mentality requires that brands take user feedback into consideration, in order to create interconnectivity and mutual respect (Appendix 9). One could argue that luxury brands should consider carefully whether to adapt to flawsomeness, as they are seeking to differ from mass-market brands. However, flawsomeness can be important in an online environment, where consumers have the possibility to select and deselect among a multitude brands and comment on a brand's actions in user forums out of the organisation's control (Kietzmann et al. 2011: 241). The out-of-control issue is particular interesting as it proposes a threat to the heavily controlled luxury brands.

One could assume that to follow abovementioned advices slavishly does not necessarily lead to online success, as each brand requires individual handling. What should also be considered is the out-of-control issue. Shneiderman is approaching this issue 'reduced credibility' that the online setting may cause. He argues that reduced credibility can be an obstacle for social media integration, as resources, information and rumours float around easily on the Internet without being captivated by the professional journalistic filter as with traditional media (Shneiderman 2011: 34).

Additionally, Crandell states that a profound challenge for businesses when using social media is the organisational challenge. The change of culture is of high priority wanting to create social success and the process has to start from within, not only following a simple recipe. Either all employees or a pre-arranged group of people should be integrated in the process, in order to integrate holistic behaviour and routines (Crandell 2012, Kaplan&Haenlein 2010: 66). Brennan speaks in favour of defining groups and roles, since a lack of definition may lead to inconsistency, which could lead to confusion (Brennan 2010: 10). This is in line with Crandell's second social success advice 'integrate social into the flow of work'. Crandell quotes David Armano from Edelman Digital: *"Social is a layer that needs to be woven into the fabric of the organization."* (Crandell 2012). It is the *"…make-or-break of social success."* (Crandell 2012).

Some of the potential benefits of accommodating the social media challenges, could be creating brand communities and crowd sourcing models, gain consumer insights, enhance product/brand awareness, reduce customer acquisition and service costs and optimise overall marketing and communication efforts (Singh et al. 2012: 683). Moreover, creating a credible and successful online brand identity will enhance the possibility of WOM, which will be explored next.

2.2.8 Word of mouth marketing

WOM is a benefit of social media, however the challenge for luxury brands is that the control arguably lies in the hands of the online users. One might say that for luxury brands it is the curse and the benefit of social media. We will in the following look into how luxury brand can seek to control something by nature uncontrollable.

Word of mouth (WOM) and the fact that people share information between each other is not a new phenomenon. The challenge is to apply marketing techniques to it. The Word of Mouth Marketing Association has defined WOMM as: *"Giving people a reason to talk about your products and services, and making it easier for that conversation to take place. It is the art and science of building active, mutually beneficial consumer-to-consumer and consumer-to-*

marketer communication.[9] In the Journal of Marketing Kozinets et al. (2010) point out that it is about creating, managing and sustaining the conversation consumer-to-consumer by using marketing techniques (Kozinets et al. 2010: 71).

WOMM is an increasingly important technique, and both sociologists and marketers claim that it has a significant effect on the majority of purchase decisions (Kozinets et al. 2010: 71). This type of marketing entails many types of marketing techniques seeking to generate conversation among consumers. Among these are viral marketing, buzz, guerilla marketing and social media marketing (Kozinets et al. 2010: 71)[10]. A recent global study by Nielsen, has rated WOM as the most credible form of advertising (Appendix 10), which further emphasises the core importance of being able to manage and generate WOM to create, manage and sustain positive brand-user relationships.

2.2.8.1 Three WOM models

Kozinets et al. present three different models, which does not only present three different types, but also the transformation in the use of WOMM. It is noted that all three types co-exist (Kozinets et al. 2010: 72).

The first is 'the organic interconsumer influence model', which is reflecting an organic word of mouth process, as the message is not pushed by a marketer, but is one consumer advising another about a product, service, brand or the like. The second called 'the linear marketer influence model' reflects how some consumers are better to target due to their influence on other consumers, as they are considered opinion leaders. Finally there is 'the network co-production model'. This model has a focus on the consumer networks, which is becoming increasingly important with the emergence of Web 2.0. Here the consumers are co-producers of the value-creation, and the importance of relationships and interaction is emphasized (Kozinets et al. 2010: 72). The latter model is arguably nurturing and supporting PSI, which

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[9] http://womma.org/wom101/
[10] http://womma.org/wom101/2/

should lead to a stronger relationship between the user and the brand. Additionally, one may argue that social networking sites may be especially prone to this kind of relationship building.

2.2.8.2 Online contextualisation

WOMM is part of *"…a complex cultural process that nonetheless follow an ascertainable pattern"* (Kozinets et al. 2010: 74). This process can be decoded differently according to elements incorporated in the online setting. Kozinets et al. point out four elements that affect how the communication is perceived and steers the conversation that takes place in the online platform.

First of all, the communicator 'character narratives' influences the communication. This means that the sender of content may inject the communication with personality, affecting how e.g. the brand is perceived and which kind of conversation is spurred. Secondly, the context the WOM is taking place within may affect the communication. In terms of online settings a blog may highly vary from a content community. Third, the WOM communication depends on the norms integrated in the community, and affects the expression, transmission and reception of message and the meaning attached. The norms may differ according to e.g. size of community, average age, social class, lifestyle and the shared history between members. Lastly, the communication and message is affected by the type of marketing promotion, the purpose of the message, the focus of the communication such as a product focus (Kozinets et al. 2010: 74).

It is central to create synergies between the four elements, in order to create a powerful WOM message and associations. These four points are especially directed towards the abovementioned coproduction model.

2.2.8.3 You, me and us

In order to create positive WOM it is crucial to get people motivated to talk. Andy Sernovitz, author of several books on WOMM, has identified three basic motivation drivers - 'you', 'me' and 'us'.

The you-aspect is about giving people a reason to talk about the brand (you). Be it excellent service, amazing products or a marketing campaign – people will talk about what they love or hate, though the hate-aspect might not be working in the long run (Sernovitz 2009: 10).

The me-aspect refers to customers talking about a brand if it makes them feel smart, important, helpful or perhaps trendy. An excellent example of this is the brand Apple, who has managed to turn thousands of people into ever-loyal followers. It thus becomes important to help these consumers feel important, by creating spaces that provides information and allow consumers to get to know a brand inside out (Sernovitz 2009: 10).

The us-aspect refers to how consumers have the need to feel connected to likeminded groups of people, as mentioned above. An easy way of connecting is to talk something, such as a brand, and share enthusiasm or hate towards this. Thus, giving people the tools and space to engage in the brand-conversation becomes important, as they will use it as a tool to become connected (Sernovitz 2009: 10).

2.2.9 The world of Facebook

"Facebook is the largest global two-way communications platform and companies need to share and engage in this new distributed world. There's no other platform in the world where you can find hundreds of millions of people eager to share their thoughts and feedback." Says Lazerow CEO of Buddy Media to L2 Think Tank (Galloway 2011: 11). Kapferer and Bastien agree as they say that Facebook can be an 'excellent' strategy of managing fan communities (Kapferer&Bastien 2012: 252). Survey shows that Facebook is the most known social media platform, followed by MySpace and Twitter (Singh et al. 2012: 686). Moreover, L2 Think Tank turns to the fact that *"One of eight minutes spent on the Internet is on Facebook"* (Galloway

2011: 1), which creates a firm believe that 'Facebook is the Internet' (Galloway 2011: 1). Daniel Miller, professor of anthropology refers to the same phenomenon by saying *"Facebook can be regarded as a kind of social 'big bang'."* (Miller 2011: 208).

Mark Zuckerberg founded Facebook in February in 2004. Today its mission is to make the world more open and connected[11]. At the end of June 2012 the platform had 955 million monthly active users, 552 million active users daily, of which 543 million were entering Facebook on a mobile device[12]. Furthermore, 48 percent between 18 and 34 year old check their Facebook account when they wake up[13]. These facts stress the importance of understanding how to use and capitalize upon social media platforms.

According to Kaplan and Haenlein (2010) Facebook is a social networking site. It represents a high degree of self-presentation and self-disclosure, which means that users must reveal information about themselves to become a member, as well as the more personal details a user reveals, the more he or she gets out of connecting on this social media platform. Facebook allows for people to show who they are – by liking a luxury brand they signal to the online network that they belong to a sophisticated and luxurious group of people. Facebook's media richness and social presence is on a medium level, due to the level of intimacy the conversational functions allow, namely online chat, forum conversation and e-mails.

Additionally, Facebook has functions that allow for integration from other types of social media platforms, due to the like-button that connects other platforms to Facebook, which is the web glue of Web 2.0. These interrelated functions stress the power of this social networking site as mentioned by Lazerow above.

It is difficult to determine ROI when dealing with Facebook and therefore many other initiatives in order to judge and measure have been taken into use. The L2 Think Tank in New York have in their research among luxury and prestige brands on Facebook invented their own tool for

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[11] http://www.facebook.com/facebook/info

[12] http://newsroom.fb.com/content/default.aspx?NewsAreaId=22

[13] http://vimeo.com/21483551

measuring success within this medium and they refer to it as 'Facebook IQ' (Galloway 2011:1). *"We believe we are on the precipice of such a moment, one that will reward/punish a prestige brand's stakeholders based on its "Facebook IQ""* (Galloway 2011: 2). The Facebook IQ is measured on size and velocity, programming, engagement and integration. According to the measurements brands will be categorised within the categories genius, gifted, average, challenged and feeble (Galloway 2011: 3).

February 2012 Facebook introduced a 'new Facebook brand page' with a timeline. The timeline carries with it some notable advantages: *"…the big cover photo, the easy indexing, the integration of video into a much more interactive main page — what the new format will do for brands will be even more spectacular."* (Appendix 11). The timeline makes it easier for users to scroll through brands' Facebook history. One could argue that this facet makes poor strategies more visible because of the heightened transparency, and therefore stress the importance behind the advices and challenges stated by Kaplan and Haenlein (2010) and Crandell (2012) to create a consistent brand. *"Some feel that this could be a potential downfall for companies that do not excel at providing engaging content or brands with various operations compared to those who concisely define themselves under one umbrella."[14]*.

The new timeline seems to embrace virtues of luxury branding by accommodating the opportunity to convey history, heritage, workmanship and aesthetic. *"Because prestige brands are so closely associated with, even defined by the beautiful imagery of their products, the opportunity to integrate these visuals with emerging, regularly updated content within the new profile page will be extremely effective. Not only will brands attract more fans but they can inform this younger generation about their heritage in a way that appeals to them."* (Appendix 11). Further, it is emphasized that vivid storytelling is a possibility and that these new characteristics resemble traditional media, but adds interactivity, which allows interactivity between brand and user, as pointed out by the IMC process model and WOM (Appendix 11)[15]. Facebook timeline offers luxury brands a range of possibilities*" … for high fashion, an industry*

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[14] http://mashable.com/2012/03/01/facebook-timeline-brands-guide/
[15] http://mashable.com/2012/03/01/facebook-timeline-brands-guide/

built on glossy photos, short films, and beautiful people, the possibilities are endless." and the article is being concluded by stating: *"It's hard to say who benefits more from brand timelines, the brands or the fans."* (Appendix 11). This quote underlines the two-way interaction, which goes on between the brands and the fans so both benefits.

Despite the opportunity timeline offers luxury brands, twenty percent did not allow their fans to post on their Facebook brand page, which suggests that brands has misunderstood the concept of social media and see this to be merely a one-way communication platform. However, *"As of August 15, 2011, Facebook will no longer allow brands to turn off the ability for fans to post wall comments, forcing brands to adopt two-way interactions."* (Galloway 2011: 11). In this way Facebook takes small parts of the brand management away from the brands and sets a social media agenda, which is defined by participatory and two-way communication.

According to Miller Facebook *"…gives us a moral encompassment within which we have a sense not only of who we are but of who we ought to be."* (Miller 2011: 180). Thus, one may argue that Facebook acts as a tool in the process of self-disclosure and image management, because a like that is communicated to the social network will function as a way to position one self as e.g. an elitist (Dubois et al. 2005), as mentioned in the luxury part.

3.0 Methodology

In the following we will provide an overview of the research methodology in order to create transparency and clarity of the process leading to a conclusion of the problem statement.

Starting out with mapping our qualitative research approach, we will present our fundamental philosophical assumption of the world and how it affects the thesis. Next an overview of the research method 'case study' will be provided. Hereafter the primary and secondary data will be presented, which is followed by the choice of theory. The data reduction will describe the iterative process we have undergone to create meaning of our empirical data and theory. Quality indicators will function as a tool for us to meet the critique social and qualitative

research often faces. The delimitations will clarify the topics that we have chosen not to include in the thesis, and finally we will provide an overview of the research design to make the process transparent.

3.1 A qualitative research approach

Our analytical approach is marked by the qualitative research tradition, which allows us to take the context of the research into consideration (Meyers 2011: 5), i.e. the context of social media and luxury brands. Moreover, qualitative research is relevant when seeking to produce knowledge in a given area and create understanding (Eriksson&Kovalainen 2010: 3).

By using qualitative research we seek to investigate what is happening between luxury brands and social media, and how to main a luxury brand in a social media era, and more specifically on Facebook.

3.2 Social constructivism

Social constructivism reflects our philosophical assumption about the world and our approach to the field of research and knowledge production. It is *"…the basic assumptions about the world, society, the individual, knowledge, language, the relationship between theory and empirical data, etc."* (Olsen&Pedersen 2008: 137).

Social constructivism takes distance to the notion of objectivity, which is among others represented by positivism and realism. Instead it is argued that reality is manifested through subjectivity, consciousness and experience, structured by language (Burr 1998: 18) hence we argue that the definition of luxury may differ from one person to another. The world is perceived as being socially constructed, and thus also changeable, unstable and created by social interaction and historical processes (Wenneberg 2002: 13, Fuglsang&Olsen 2005: 349). We argue that this is also reflected in terms of luxury. Luxury was in Greek and Roman society defined as something negative that stirred harmony and equality in society. This definition of

luxury was changed by among others Adam Smith, who deemed luxury an important driver of economy. In today's society the emergence of 'new luxury' reflects how everyone wants a piece of luxury, whether it be a 'like' of Chanel on Facebook or the an exclusive soap. Today the digitalisation of society has created higher accessibility to luxury brands, which has arguably affected the definition of luxury brands. This report will not focus on the development of a luxury brand carried out by a person, such as the head of the design processes, but instead the research seeks to be a tool for the general management of a luxury brand's identity according to current social processes. We do not consider luxury brand management as a fixed system, but as a tool to handle the societal changes that may affect luxury brands.

Social constructivism believes that individuals are affected by historical and cultural contexts and that knowledge is created through social processes of interaction and negotiation, e.g. language. Moreover, social constructivism takes a critical stance towards accepting universal truths, and seeks to uncover what lies behind actions (Burr 1997: 3-5).

This research is characterised by an ontological standpoint that people create reality based subjectivity, consciousness and experience.

3.2.1 Social constructivism and knowledge production

We will make use of Wenneberg's 'critical perspective of social constructivism' as our approach to knowledge production[16]. This perspective will allow us to open up for discussion by taking on a critical role against the traditional conception of luxury by putting it up against social media. We seek to question and 'de-mask' what lies behind norms and beliefs that are taken for granted (Wenneberg 2002: 83). Wenneberg compares the mentality of the critical perspective with the American sociologist Erving Goffman's perception of a social constructed reality (Wenneberg 2002: 80). Goffman argues that everyday life is affected by a certain dramaturgy

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[16] Wenneberg divide social constructivism into four different kinds: A critical perspective (social constructivism-I), a social theory (social constructivism-II), epistemology (social constructivism-III), ontological position (social constructivism IV) (Wenneberg 2002).

(Fuglsang&Olsen 2005: 365, Andersen&Kaspersen 2000: 190). Social elements e.g. a brand or a person are characterised by a front stage, back stage and the use of props. The front stage is reflecting the social self and how an individual wants to be perceived by the social circumstances. Back stage, on the other hand, is reflecting the feelings and actions individuals hide from the social sphere. Props are the elements used to signal a certain image to the social surroundings. The props presented on the front stage together with status symbols, way of talking and similar make up the so-called personal front. It is about management of impressions and how identities are produced and managed in relation to others (Ibid 2005: 365, Ibid 2000: 190). We will approach our field of study with a perception of luxury and the Internet as being socially constructed by 'props'.

Goffman fits well into our project because one could argue that luxury consists of a back stage and a front stage, i.e. luxury brand identity and luxury brand image. We will look into whether compatibility and coherence of the luxury brand can be obtained using Facebook as a front stage for luxury brands. We will investigate how social media and Facebook affect the construction of luxury brands, and which particular props are useful to maintain their luxuriousness.

We, as social constructivist researchers, have to recognise our active role in the knowledge production. Esterberg states that the process can be regarded as a social production, because we are affecting the data according to social, cultural and historical predispositions (Esterberg 2002: 16). We will therefore, by using social constructivism, manifest our epistemological standpoint, and thus not claim any definitive answers, but acknowledge that our research is affected by the subjectivity we as individuals bring into the research, affected by our social context (Wenneberg 2002: 37, Eriksson&Kovalainen 2010: 14).

3.2.2 Social constructivism and Sisyphus[17]

Despite the fact that social constructivism may seem comprehensible and useful in order to question what may look like truisms, several theorists warn against the vertigo of relativity[18]. Wenneberg states that even though you start out with a certain goal in mind, it is hard to avoid sliding down into relativism (Wenneberg 2002b: 10). We will seek to avoid 'sliding down into relativism' by using our theoretical framework. *"Abandoning the idea of an ultimate truth appears at first a liberatory move, but brings with it the question of how one is then to decide between alternative perspectives."* (Burr 1998: 14). Arguably, if there is no such thing as one truth, one could keep on researching in the same phenomenon, as everything may be relative and socially constructed. Every new aspect will be plausible for new research.

To approach this ambivalence it is relevant to approach the vertigo of relativity. This can be done by reflecting upon, challenging and questioning our role as researchers, by acknowledging the social, historical and cultural setting the research is carried out within (Wenneberg 2002b: 12). I.e. we acknowledge that the notion of luxury consists of some 'universal truths' established by the dominant power structures within the luxury industry and their staging of the field. In this project we will heavily refer to Kapferer and Bastien's 'truths' of luxury to establish possibilities and challenges social media create and oppose to luxury. Thus, we do not seek to decompose the concept of luxury, but the research will investigate how luxury maintains and sustains their status on social media through use of theory, interviews, and the data collection.

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[17] Sisyphus had been condemned by the gods to roll a rock up to the top of the mountain forever, but every time it came to the top, it would roll down again. Today it is compared to hopeless striving for something that never succeeds (http://www.britannica.com/EBchecked/topic/546759/Sisyphus)

[18] Expression translated from the Danish expression "glidebane" (Wenneberg 2002) by Michael Hviid Jacobsen, in his review in Dansk Sociologi Nr. 1/12. årg. 2001

3.3 Research method - case study

The purpose of employing case study in this research is to bridge the gap between theory and practice, and add empirical evidence to the knowledge production. Yin and Flyvbjerg argue that conducting a case study is a solid way of understanding a real-life phenomenon within its context (Yin 2009: 18) and producing context-dependent knowledge (Flyvbjerg 2006: 222).

3.3.1 Case selection

We have chosen to use the British brand Burberry, the Italian Prada, the Swedish Acne and the masstige colloboration between Italian Marni and Swedish H&M namely 'Marni at H&M' to be our case studies for this research. Arguably, they represent different levels of luxury considering the luxury pyramid (Corbellini&Saviolo 2010) i.e. we have made a 'vertical selection' from the pyramid. On the other hand a selection of cases from the same level of luxury could have contributed with more specific details within one layer of luxury. We chose a broad approach to luxury in order to make our research as applicable as possible. Flyvbjerg characterises this approach as 'maximum variation cases' and say that the case selection are based on a presumption that they will each add significant nuanced information to the research and add multiple perspectives (Flyvbjerg 2006: 230). We employ a deductive method of inquiry (Eriksson&Kovalainen 2010: 22), as our theoretical framework has been the foundation for the selection of cases.

The purpose with this case selection is to investigate how different types of luxury brands are adapting to social media, if the premises vary, and whether they can possibly learn from each other. Noticeably, we will throughout the analysis bring other external case examples into play. These examples will not have undergone the same process as our case studies, e.g. material collected for case description and a semiotic analysis, because of their role as being supplementary and supportive.

3.3.2 Case study design

The design and use of case studies is multiple, extensive and instrumental. The following will explain the reasoning behind these choices and how they will work and add to the knowledge production.

We employ a multiple case study in our research, i.e. four cases. This type is often regarded as more robust and compelling compared to a single case study; on the other hand multiple case studies are of a different character, as they are not necessarily studied into the same detail as single case studies (Yin 2009: 53). Employing multiple cases we seek to investigate the relationship between luxury and social media from various angles, as pointed towards above.

Using an extensive case study design, we recognise that the cases themselves are not central elements of investigation, but tools in the process of understanding, crystallising and explaining. We will with this method seek to map certain patterns, mechanisms and properties that are essential to providing a conclusion to the problem statement. Using this method, we exclude investigating the cases from within, i.e. the intensive approach (Eriksson&Kovalainen 2010: 119).

The cases used are instrumentally, which means that the specific cases are not central, but tools in understanding, explaining and interpreting of a phenomenon. This allows *"…the researcher to generate knowledge that extends beyond the case itself."* (Eriksson&Kovalainen 2010: 124). This means that it is not Burberry, Prada, Acne or H&M in itself that are under investigation, but they will add to the understanding of the field of research. The cases should instead be regarded as a way of constantly reflecting upon and take a critical stance towards findings, which preferably should lead to a reliable analytic outcome.

By applying this case study design we will not go into depth with each of the cases, but describe them with our research area in mind. Therefore not all characteristics of the cases are relevant in order to fulfil the purpose of investigation (Eriksson&Kovalainen 2010: 123). Though, we will

analyse our case study material to fully understand the meaning of it, which will be gone into depth with next.

3.4 Analytical approach to case studies

The purpose of using case studies is to explain how luxury brands maintain their identity on the social media platform Facebook. Yin states*: "To explain a phenomenon is to stipulate a presumed set of causal links about it, or "how" or "why" something happened"* (Yin 2009: 141). As a tool to go into depth we will use semiotics as a tool to explain why luxury brands succeed or fail to maintain their luxury brand on Facebook.

3.4.1 Netnography

Netnography is a method developed to investigate online behaviour, user insights, and especially prone to observe social media (Kozinets 2010: 2). We will make use of netnography as a means to structure our data collection of online case example material from social media, i.e. Facebook. Netnography is compatible with our scientific approach social constructivism due to the strong focus on social interactions as a main carrier of 'the meaning'. *"Netnography is different because it treats online communications not as mere "content", but as social interaction, as embedded expression of meaning, and as cultural artifact."* (Kozinets 2010: 4)

We will use netnography to find and reduce useful online data from Facebook, and can be regarded as implicit coding online. Therefore, we will not look into the user behaviour, but only use the data collection steps by Kozinets. The social media material found through the use of these data collection steps will function as case examples throughout our semiotic and main analysis.

In the process of data collection we regard it as an advantage that netnography has focus on context as it corresponds to the qualitative research approach: *"Netnography pays very close attention to context."* (Kozinets 2010: 4).

In order to prepare our data collection of online material we will follow the two steps 'research planning' and 'entrée' (Kozinets 2010: 5). The 'research planning' is based on the question 'Which online spaces do luxury brands use to communicate the luxury brand message to consumers?'. A high amount of luxury brands use Facebook and that lead us to our 'entrée' on Facebook. We enter Facebook using our private profiles and thereby includes personal predispositions and settings. Another significant element of this 'entrée' is that we have to make another entrance into the luxury brand communities on Facebook by liking the Facebook brand pages. The 'entrée' will be useful for us throughout the writing and research period to continuously observe the luxury brand Facebook communities and potential developments within the media landscape to update our online content accordingly.

The data collection is thus based on the luxury brands' Facebook brand pages. Kozinets proposes using of a software program that consists of seven steps to make data collection. Even though we have not made use of this software system, we have gone through the steps manually. We will only make use of the five first steps, as the final two are not directly applicable to our 'manual' method.

The first task is about 'sourcing' the online environment for relevant data, which in our case is Facebook. We will 'source' the Facebook brand pages based on the theoretical framework, the data and problem statement in order to find relevant material for the research. It is worth taking into consideration that when 'sourcing' material on Facebook brand pages the luxury brand itself is the sender of material. This is contrary to using search engines, such as Google, as it would result in articles and other material from a vast amount of senders.

The second step in the data collection is 'tracking'. This *"…provides some context to the data so that relevance and cultural insight can be judged."* (Kozinets 2010: 6). This step will therefore

include investigation of the specific brand websites, Facebook brand pages, interviews conducted with employees and management in the luxury organisation by others, press releases and articles in general. The 'tracking' will become the 'case description' of our main cases. The case descriptions are going to function as the foundation for our understanding of the luxury brand identity. Third step of the data collection, 'marking', is where we combine the relevant material collected from sourcing and tracking. The fourth step, 'collecting' is a step focused on archiving in the software program, however we will make use of 'dropbox' to share and store data. The fifth step is 'reducing'. In order to reduce and extract relevant data, we will make use of our three research questions, case descriptions, primary and secondary data.

Taking our research questions into consideration we will choose examples from the online data collection and analyse these using a semiotic analysis.

3.4.2 A semiotic analysis

Semiotics is the study of signs and symbols and the meaning attached to them. Umberto Eco states: *"semiotics is concerned with everything that can be taken as a sign."* (Meyers 2011: 200), and hereby establishes that signs can be anything from images and language to culture and art (Meyers 2011: 198).

A luxury brand is made up of a certain set of codes that separates luxury brands from other types of brands, according to Appadurai (1986), Corbellini and Saviolo (2010), and Kapferer and Bastien (2012). We will bear these codes in mind in order to explain if and how luxury brands can be maintained on Facebook. More specifically we will analyse our cases' Facebook material in terms of videos, images and text.

The work by Roland Barthes and his theory on connotators and text-image relationship will be our tool for the semiotic analysis (Barthes 1977). Barthes analytical approach consists of six connotators, which will be explained in the beginning of the semiotic analysis.

The material will be analysed within our theoretical framework, considering the socio-demographic background. This may ascribe conclusive points to our findings that would not have been made if analysed within another framework or with a different set of predispositions.

3.5 Data collection

We will seek to explain the gathering and use of the primary and secondary data in this research in below sections.

3.5.1 Primary data

The primary data consists of five interviews. These were conducted with five experts in order to get an in-depth understanding of the luxury brand management on Facebook. We have tried to structure the selection of interviewees in accordance to their backgrounds and credentials, so it contributes as much as possible to our research.

3.5.1.1 Creation of the interviews

In the following we will employ Steiner Kvale's (2009) phases of an interview investigation with the purpose of ensuring theme consistency throughout the interview process (Kvale 2009: 123). Seven phases exist, however we will only employ the first five phases. The two first are made prior to the actual interview, namely 'thematisation' and 'design' followed by 'interview', 'transcription' and 'analysis' (Kvale 2009: 122-123).

The 'thematisation' of the interviews are based on the theoretical framework, the problem statement and research questions, which reflect the deductive approach employed in the research. Therefore, the interviews evolve around the connection between luxury brands and social media, with a focus on Facebook and at few occasions our four chosen cases.

The 'design' of our interviews consists of five experts. The interviewees were chosen based on their expertise in luxury, social media, branding or marketing. By including five expert interviewees with different backgrounds we seek to cover the research from different perspectives. We acknowledge that not all of them can be considered experts in the field of social media and luxury brands and moreover that our interviewees might hold opinions about subjects, in which they are not experts. In terms of our interview design, we have not been able to interview an expert from a luxury conglomerate. The research could arguably have benefitted from this perspective that could have enhanced the understanding of how luxury brands manage brand user relationships on social media and in general. The interviewees' background and purpose in the research is described below.

- Thomas Thomsen, partner at KonXion a social media consultant company
  The purpose of interviewing Thomsen has been to obtain practical viewpoints in terms of social media and Facebook.

- Anthony Aconis, author of three branding books, founder and creative director at Fireball a marketing agency
  The purpose of interviewing Aconis has been to obtain practical viewpoints in terms of understanding the branding/the luxury branding aspects of social media.

- Dorrit Bøilerehauge Ph.d in sensory shopping & fashion communication and CEO at Danske Designere a membership organisation
  The purpose of interviewing Bøilerehauge has been to obtain theoretical and practical fashion and luxury communication aspects

- Else Skjold Ph.d. candidate in fashion at Copenhagen Business School
  The purpose of interviewing Skjold has been to obtain theoretical fashion and luxury communication aspects

- <u>Francesca Rinaldi, assistant professor in luxury goods and jewellery at SDA Bocconi School of Management and strategic consultant</u>
  The purpose of interviewing Rinaldi has been to obtain theoretical and practical luxury brand aspects

The interviewees were sent the interview questions beforehand so they were able to reflect and consider their answers. Additionally, a short introduction of our research was presented to guide the interview in a useful direction.

The 'interviews' can be characterised as professional interviews in the form as research interviews, which are. Research interviews are made with the purpose of producing knowledge (Kvale 2009: 18). The interview type is guided and semi-structured. That means that the interviews followed a pre-planned script, but wording differs, and there is room for additional exploratory questions to pursue if an area appear to be of particular interest (Eriksson&Kovalainen 2010: 82). An example of this was in the interview with Thomsen (2012) where he asked us in the end of the interview whether he could add an additional viewpoint to the topic. The purpose of following a pre-planned script is to allow us make a comparison of the answers in regards to the research area (Eriksson&Kovalainen 2010: 81). Arguably, it could have been relevant to create customised interviews according to the interviewees' background and thereby exploited their expertise to a higher degree. However, this might have decreased the ability to compare findings and opinions.

The questions are aimed at being somewhat leading, direct and open-minded (Eriksson&Kovalainen 2010: 83-84), meaning that they are formed within a pregiven research typology, but allows the interviewee some freedom in answering, to encourage rich answers that sustain the knowledge production. The questions differ in their degree of being leading, direct and open, depending on the purpose of the question.

The following four examples reflect the diversity of the interview questions:

- *Is there a contradiction between the elitism and exclusiveness of a luxury brand and the ultimate democratic nature of social media?*

- *What is a 'like' worth to a brand?*

- *What is a 'like' worth to a luxury brand?*

- *Is a 'like' enough for a luxury brand?*

The first question is leading, as we are looking for a specific answer to the question. The pre-assumption in the question might generate less freedom in the answer. The second question is rather open leaving the interviewee more freedom when answering. This can produce more detailed answers (Eriksson&Kovalainen 2010: 84). The third question is posed in continuation of the second in an attempt to investigate further. The fourth question is posed in continuation of the second and the third. It takes a critical stance and more direct approach to make the interviewee reflect further. See the interview questions in appendix.

We have conducted two face-to-face interviews, a telephone interview, a Skype interview and an e-mail interview. The variety of forms is due to geographical distance. By making use of face-to-face, telephone and Skype, the interviews are synchronous and immediate by nature, but arguably the face-to-face interview allows for more interaction between the interviewer and interviewee, as body language become a part of the process, which may lead to different responses than via Skype or telephone. However, body language as such will not be considered, as will be explained in the next section. Considering the e-mail interview this may face critique due to the lack of richness in terms of body language and tone of voice (Meyers 2009: 171). However, one might argue that interviewee can to a higher degree reflect upon answers, which may lead to answers that have been thought thoroughly through (Meyers 2009: 171).

'Transcription' was made of the four out of five interviews. We did not put a focus on emotional expressions such as hesitations, excitement and intonations as they are not decisive

for the knowledge production in this research (Kvale 2009: 203). The transcriptions are made word-for-word to maintain the original meaning of the questions and answers and avoid a misleading nature (Kvale 2009: 205).

The interviews are tools in our analysis and have therefore not undergone analysis. Instead we have made use of implicit coding (Eriksson&Kovalainen 2010: 128), by organizing and comparing interview data with theoretical data and the cases.

3.5.2 Secondary data

The secondary data is constituted by theoretical data and empirical data, i.e. our theoretical framework, articles, and Facebook material.

3.6 Selection of theories

We will in the following take a closer look at the theories chosen within our theoretical framework, explain the reason for the selection of the theory, and how it adds to our understanding of the field. Critical comparison and discussion of theories will not be provided as such, because this has been done throughout the theoretical framework. We have made use of the library search engines at Bocconi University in Milan and Copenhagen Business School to find data.

3.6.1 Luxury theory

The field of luxury theory includes different perspectives from a variety of theorists. The main difference between the various viewpoints is the perception of what luxury is – more specifically traditional luxury versus new luxury. We have chosen to integrate theories of both beliefs, to create a wide spectre of understanding.

The different approaches to luxury brand management are reflected in our choice of theorists. Kapferer and Bastien (2012) have a focus in how to maintain the traditional high luxury identity when managing luxury brands. They provide 24 anti-laws of marketing, where they seek to distance luxury brands from the mass-market brands. Appadurai (1986) and Veblen's (1953) approach to the luxury concept support Kapferer and Bastien (2012). Corbellini and Saviolo (2010) appreciate the traditional values, but acknowledge that today's luxury stretches to different types and layers of luxury. Fiske and Silverstein define 'new luxury', which reflects how the democratisation in our society today has affected the luxury concept. As mentioned in the chapter of social constructivism we acknowledge that the concept of luxury is changeable, though in order to be able to manage these changes we make use of above theories to understand how to exploit the societal changes i.e. how to exploit social media from a luxury brand management perspective.

The various approaches add to the complexity of the concept, and fortify the fact that different types of luxury brands require different brand management. There is not one way of doing it, which was also reflected in our selection of case studies.

3.6.2 Social media theory

Dealing with a rather new concept, such as social media, one should be aware of the continuously new and relevant theory added to the field. We have sought to include theory on what social media is, how to use it, which opportunities there are, who uses it and how to manage it, by including several theorists and practitioners.

Kaplan and Haenlein (2010) have a prominent role in our approach to social media. Their classification of social media has served as an anchor of understanding. Other theories have added value to this model and extended the usage of its classification scheme. The IMC process model by Pickton and Broderick (2005) has been included to clarify the fragmentation of the media landscape and the communication shift. The shift led us to theories focusing on the

users, their needs, and actions online. Kozinets et al. (2010) and Sernovitz (2009) provided insights of how to generate and manage WOM.

We have narrowed our focus down to only concern social networking sites more specifically Facebook. Therefore, a description of Facebook was provided in the social marketing chapter.

3.7 Data reduction

Data reduction reflects the iterative process of knowledge production in qualitative research. We have made use of data reduction to question the relevance of material and our influence in the research as social constructivist researchers, in order to create a reliable thesis.

An example of data reduction is the collection of theory, which has been continuously revised in terms of questioning the relevance. This was done to ensure a consistent theoretical framework and solid backbone of the research, as our method of inquiry is deductive. The example reflects the overall approach in the research.

In Layman's terms this process was a reduction of the data collection, by questioning chosen material and our influence on the material.

3.8 Quality indicators

"One of the challenges confronting you as a qualitative researcher is how to assure the readers of your research about its scientific nature, its quality and trustworthiness."
(Eriksson&Kovalainen 2010: 290). The following critical points will be taken into consideration and we will seek to accommodate these to avoid biased research results and ensure process transparency.

Subjectivity

Qualitative research is assumed to *"…rely too much on the researcher's often unsystematic views about what is significant and important…"* (Bryman&Bell 2003: 299). We acknowledge our predisposed interests and that we may have highlighted subjects we find particularly interesting, which has affected the research. Our interest within social media is naturally affected by the fact that we are active users of multiple social media platforms. Besides the fact that Facebook is the largest social media, we also spend much time using Facebook personally, and therefore we arguably have an inner need to clarify it in a more comprehensive way than a non-active user. We will make use of relevant experts within our own network to produce primary data, which also emphasises a certain degree of subjectivity. Further, we followed the course 'Management of Luxury and Fashion Companies' by Stefania Saviolo author and professor at University of Bocconi, which have led to a natural interest within the field and affected choice of theory.

Difficulty of replication
"Precisely because it is unstructured and often reliant upon the qualitative researchers ingenuity, it is almost impossible to conduct a true replication, since there are hardly any standard procedures to be followed." (Bryman&Bell 2003: 300). We recognise the difficulty of replication, as we as researchers have been central catalysts for the data and knowledge production. As social constructivists we believe that it is hard to replicate the reality at another point in time. Moreove, our field of research is volatile, as it is affected by the continuous technological advancement and societal changes, which further makes it difficult to replicate.

Difficulty of generalisation
"…the findings of qualitative research are to generalize to theory rather than to populations." (Bryman&Bell 2003: 300). The quote is based on an assumption that qualitative research cannot be generalised in 'real life', as it is not based on specific routines and schematic procedures, but is affected by us as researchers. In our case we recognise that a generalisation cannot take place, but we strive to legitimise our research by including several theoretical viewpoints on the same subject and include four case studies to thoroughly investigate our field

of research. Additionally, our interviewees are chosen because of their background and their potential ability to clarify and answer our questions.

Lack of transparency

"It is sometimes difficult to establish from qualitative research what the researcher actually did and how he or she arrived at the study's conclusion." (Bryman&Bell 2003: 301). To meet this critique we have sought to make a comprehensive methodology, specifying our choice of research, theories, interviewees and our approach to reality. The iterative research process is reflected in our data reduction.

The abovementioned quality indicators are reflecting what is known as reliability and validity in quantitative research. However, a qualitative approach needs different measures because of its different nature. In our research we believe that there is no one way of perceiving reality, but that it is variable and changing according to time and who perceives it (Bryman&Bell 2003:292).

3.9 Delimitations

- Our field of research is limited to only focus on the Western part of the world. This choice is based upon the fact that countries, such as China, would be a project in itself to investigate because of its increasing importance on luxury brands.

- We are limiting our research to focus on fashion luxury brands and thus not the entire field of luxury brands, as the standards may differ and thus our approach will be less valid.

- The research is limited to focus on general online user habits in the Western part of the world, and is therefore not focusing specifically on e.g. generation Y. The reason is that (luxury) consumers online are not only limited to generation Y, and in this sense it would limit the brand management perspective.

- One of the valid areas one could investigate within luxury brands on Facebook is the dilemma of language and global vs. local. It would bring in new perspectives, but also take the research in another direction.

- The focus on luxury brand management will delimit us from going in depth with a user perspective of luxury brands on Facebook. We acknowledge that this could have been an extension to our research as users are an essential part of the two-way communication.

- We are not applying explicit CRM theory. However, theories employed are covering aspects such as loyalty and engagement.

- We are not considering channels such as Twitter, YouTube and Pinterest, besides acknowledging their interfunctional functions with Facebook.

- E-commerce could be connected to the aspect of product awareness on Facebook, but it could constitute a project in itself. Therefore, we limit our research not to include the traits of e-commerce.

- Our social constructivist approach is limited to focus on later social theorists within this field. Thus, we are excluding the traditional notion of social constructivism, as presented by e.g. Karl Marx and Max Weber.

3.10 Research design

In the following we will briefly describe the structure of the thesis in order to explain the connection between the different parts and create a general overview.

The theoretical framework provides an overview of chosen theory in the field of luxury brand management and social media that will be used throughout the research. The methodology is

put after the theoretical framework, so references between scientific approach i.e. social constructivism and the theory can be made. The methodology is followed by our analysis, which consists of two parts. The first part is four semiotic analyses of our case studies, Burberry, Prada, Acne and 'Marni at H&M'. The purpose of these analyses is to uncover and understand what it takes to communicate luxuriously on Facebook. The second part is the main analysis, i.e. 'The online luxury brand – analysis and findings', which consists of three elements. These three elements reflect the three work questions of this research and are three current aspects of luxury brand management i.e. luxury brand identity, customer relationship, and product awareness. The main analysis will provide challenges that will sum up findings and provide knowledge of how to maintain the luxury brand on Facebook. After the analysis we will in our discussion provide perspectives on how the future of luxury brands on Facebook could evolve. The conclusion will sum up the findings and premises for maintaining luxury brands in a social media era, i.e. Facebook.

4.0 Semiotic analysis

The following semiotic analysis will look into the four cases of Burberry, Prada, Acne and 'Marni at H&M'. Throughout the analysis Barthes's six connotators and text-image relationship (1977) will be used to analyse the semiotic meanings of case material from Facebook.

The six connotators are: The first connotator 'trick effects' is something cleverly masked as a denotation saying a lot about the brand and its corporate values. The 'pose' is the next connotator, which according to Barthes can have an impact on the message communicated. The connotator 'objects' are objects that can easily be associated with ideas or symbols. Barthes explains the connotator 'photogenia' as the embellishment of the picture i.e. the techniques of lighting. 'Aestheticism' is a connotator, which Barthes refers to as having a significant reference to the world of art. The last connotator 'syntax' is the overall comprehension of the physical connotations and the more metaphorically connotations thus the interconnection between all elements. The text-image relationship can either be

characterised as an 'anchorage' or a 'relay' relationship. Anchorage is where the text serves as an 'anchor' to the symbolic meaning of the image. Relay is a reciprocal relation between text and image, i.e. when the text and image complement each other (Barthes 1977: 21).

4.1 Burberry

Burberry's Facebook brand page cover[19]

The lifestyle luxury brand Burberry has 14 million likes on their Facebook brand page. *"Burberry is a 156 year-old global brand with a distinctly British attitude"* [20]

Prior to the semiotic analysis we will start out with a case description. The semiotic analysis of three images from Burberry's Facebook brand page will be analysed according to Barthes'

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[19] *http://www.facebook.com/burberry?fref=ts*
[20] http://www.facebook.com/burberry?fref=ts

semiotics. By making an in-depth visual analysis we seek to create understanding of Burberry's communication on Facebook.

4.1.1 Burberry – case description

In 1856 Thomas Burberry opened a clothing shop in Hampshire, England. His devotion to innovation, quality, design and fabric quickly paid off with success. His weatherproof clothing became popular as it were considered the best in the market and was favoured by explorers and military men[21]. The popularity of Burberry was growing during the next couple of decades and the classic trench coat was born (Gilchrist 2012: 63).

Burberry's product offering consists of non-apparel, women's wear, men's wear and children's wear. These are separated into three main categories. Burberry Prorsum, which is the fashion forward collection. Burberry London being the tailored collection for everyday use, and Burberry Brit that is the casual collection (Burberry annual report 2012: 28).

CEO of Burberry Angela Ahrendt and Chief Creative Officer (CCO) Christopher Bailey are key persons in managing the brand today. Their task is to make sure Burberry is *"…a young old company"*, which means balancing the core heritage of the luxury brand with younger customers and their dedication to social media (Gilchrist 2012: 64). Burberry's focus on digital has given them immense attention, and L2 Think Tank has ranked the brand number one and entitled Burberry a 'digital genius'[22]. Burberry's focus on digital is marked by their own words *"Digital luxury positioning and the optimisation across innovative mediums of the trench coat, trademark check and Prorsum knight heritage icons make the brand purer, more compelling and more relevant globally, across genders and generations."* (Burberry annual report 2012: 18). This has resulted in initiatives such as 'Art of the Trench', which encourages people to upload pictures of themselves wearing a Burberry trench coat[23] and 'Burberry Bespoke'

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[21] http://www.burberryplc.com/about_burberry/company_history?WT.ac=Company+History
[22] L2 measures digital IQ and ranks companies according to their websites, digital marketing strategies, social media efforts and mobile applications (*L2 Digital IQ Index: Fashion,* 2012)
[23] www.artofthetrench.com

allowing customers to customize their own Burberry trench coat[24]. Bailey states that their online platforms are ways of inviting the customer into the Burberry experience[25]. The democratized appeal of Burberry are underlined by Ahrendt's own words: *"If you appreciate art and design and creativity, whether you, can afford it or not, you can still be a luxury customer"* (Gilchrist 2012: 60) and *"it always starts with people"* (Gilchrist 2012: 62).

According to Ahrendt the digital strategy consists of three crucial steps namely a *"focus on the brand above and beyond else"*, *"Develop a rich, very connected culture"*, and *"the most important thing we did, bar none, was bringing the team together"* (Gilchrist 2012: 60).

4.1.2 A Personal Facebook Note – semiotic analysis

Below image is posted on the day of the Spring Summer 2013 Burberry show.
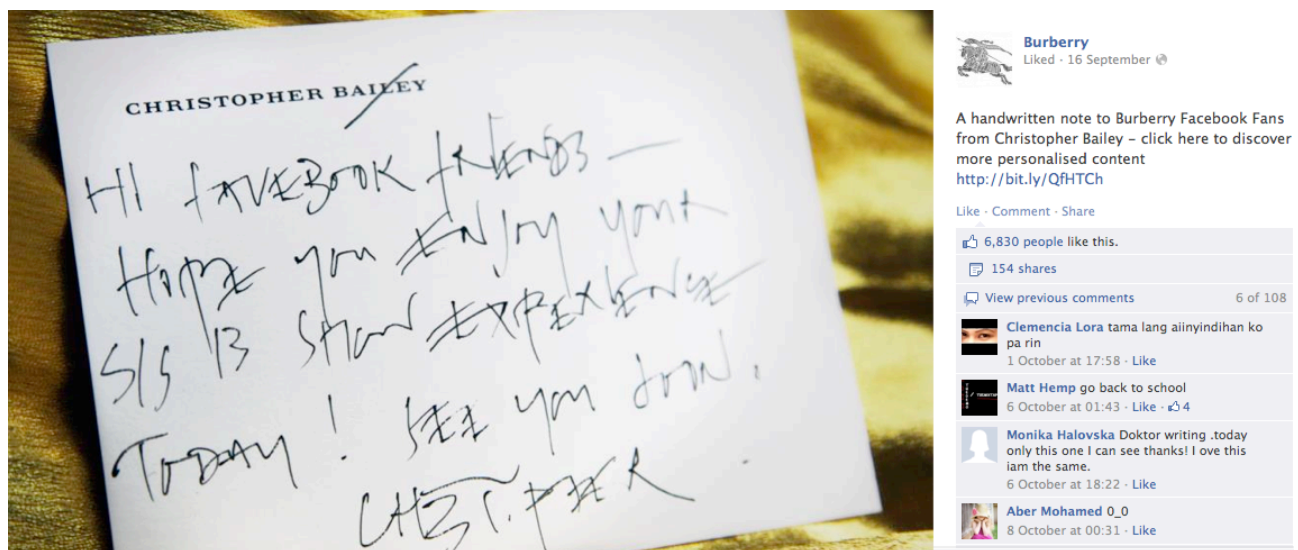
A personal Facebook note from Christopher Bailey, CCO at Burberry[26]

In this image the denotation of the image is a hand-written message and the 'trick effect' is the name Christopher Bailey, as the name is written in a different font than the rest of the note.

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[24] http://dk.burberry.com/store/bespoke/trench-coat/#/?de=WW
[25] http://mashable.com/2011/09/21/burberry-media-fashion-company/
[26] http://www.facebook.com/burberry?fref=ts

The name creates connotations to 'the man behind the brand and its creative evolution'. By posting a personalised message from Bailey, Burberry connects the brand to a person and Bailey becomes the personal representation of Burberry, which the brand will be influenced by according to the brand identity prism (Kapferer&Bastien 2012). The brand may come across as more real by borrowing personality traits from Bailey, and thereby one might argue that the communication in the personal note becomes richer and resembles two-way communication between Burberry and the online users.

The 'aestheticism' of this image portrays that Burberry borrows from the traditional world with handwritten notes – the old fashioned way. The gold fabric in the background and the fact that Bailey has personalised notepaper connotes luxury. The aestheticism in general arguably shows how Burberry uses social media to communicate their old virtues and luxurious values, and thereby allow for a large audience to understand the brand. This is central for Burberry considering their democratic approach and that the brand should shine through at all times, to quote Ahrendt: *"… the brand above and beyond else".* Moreover, the note shows how Burberry balances traditions with staying relevant and contemporary, i.e. the old virtues in a new medium. According to Keller (2008) this is a way of retaining old clients, while seeming relevant to new potential loyal customers.

The overall 'syntax' of the image is a personalised note from Bailey. One could argue that it requires specialised knowledge to know who Bailey is, which creates a barrier of participation according to Appadurai (1986). Using exclusive communication is according to Corbellini and Saviolo (2010) a part of the 'coherent system of excellence' that constitutes a luxury brand. On the other hand, with a personalised message Burberry appears to be accessible and thereby manages to balance the act between exclusivity versus accessibility, and thereby approaches both the core luxury clients while still appealing to prospective customers. One could argue that Burberry does what Aconis states, namely looking beyond the accessibility of Facebook and create a more complex luxury brand universe: *" …if you are able to use the deepthness and the complexity of Facebook you can create or make Facebook a luxury media for your luxury brand"* (Aconis 2012). According to Aconis a luxury brand is a *"…tightly controlled illusion of*

perfection …" (Aconis 2012), and the luxury brand should therefore seem coherent in all actions. This is reflected in the note, as the illusion of Bailey writing to 'me' is intact. Presumably the purpose of the note was to make the individual user feel unique. But who are we to know if this is just a 'controlled illusion of perfection', but done delicate and on the terms of the brand and the media. Reactions from users in terms of likes, shares and comments show that this post has generated engagement between the brand and the users, and thereby one might say that Burberry has managed to communicate the luxury brand identity, while staying relevant on the premises of social media.

The text-image relationship consists of two levels: The text on the notepaper and the text connected to the post on Facebook. The text in the actual image says: *'Hi facebook friends – Hope you enjoy your SS13 show experience today! See you soon. Christopher'*. Considering the wording the level of formality seems low and could be characterised as friendly. More specifically wording such as 'friends' claims a friendly relation, 'your S/S13 show experience' refers to a unique experience for the consumer and adds experiential value, 'today' refers to something current, and 'see you soon. Christopher' depicts a close and familiar relationship. In this way Burberry is meeting the online needs of the consumer, such as connecting, feel belonging and have fun (Porter et al. 2011, Wave 6 2012, Singh et al. 2012). The status update belonging to the image says: *'A handwritten note to Burberry Facebook Fans from Christopher Bailey – click here to discover more personalised content http://bit.ly/QfHTCh'*. The sentence is declarative and refers to Christopher Bailey as a 'must-know' person in order to be an insider in this community, as explained above. The wording invites the user to discover more personalised material. At this level there is no product focus, but the focus is on the community. Burberry shows an understanding of the sophisticated consumer today (Okonkwo 2010), who has a need for customization and become involved a lot earlier in processes, as Thomsen points out (Thomsen 2012).

4.1.3 The new Burberry World Live Flagship – semiotic analysis

The video being analysed in the following is part of a campaign promoting the new Burberry flagship store on Regent Street in London. Besides the video, the campaign on Facebook contained photo albums and textual information. The video is linked from Burberry's own YouTube channel to Facebook.

Video post on Burberry's Facebook brand page[27]

In order to captivate and disseminate the video thoroughly, a chronological selection of twenty screenshots has been deduced from the video and will be used to analyse the video in-depth.

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[27] http://www.facebook.com/burberry?fref=ts

Chronological selection of screenshots from the video post above[28]

There are multiple 'trick effects' of this video, however the dominant denotation is people working on a project. The trick effects create connotations to craftsmen carrying out their handcrafted talent, such as the construction manager going over the floor plans of the new shop, the way the sewing machine is finishing off some elements of the interior furniture, the painter making sure that his brush is soft and ready to paint, the decorating personnel sewing buttons on the pillows of the couches and the window cleaner cleaning the Burberry signs and windows. In this way the video shows how the new Burberry flagship store is made with attention to details in all matters and is based upon craftsmanship, which reflects Burberry's core values. Another trick effect is when the video shows the making of the sign with the address '121 Regent Street´. Besides connoting craftsmanship, it is a masked trick effect with the purpose of informing the reader of the actual address of the shop.

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[28] http://www.facebook.com/burberry?fref=ts

Central 'objects' in the video are tools and raw materials, once again connoting the craftsmanship behind the new store and the brand in itself. Moreover, the video shows objects like the Union Jack and lamps shaped as old London lampposts. These objects connote Burberry's British heritage.

The connotator 'photogenia' is relevant due to the techniques used when shooting the video. One might say that the light in the video is graceful lightning and creates connotations to as if something big is about to happen, i.e. the opening of the new store. The camera has a strong focus on details. Aconis points to the fact that luxury is often found in the details of the experience (Aconis 2012). Moreover, the closeness creates a connotation of being there and adds to the realness of the video. Another embellishment of the technique used is that at several occasions doors are opening. This could connote the actual store opening and arguably creates a welcoming atmosphere, as it seems as if they are opening up the doors for 'you'.

The syntax of the video is arguably a merge of an online and offline world. Bits and pieces from the real store portrayed and conveyed in Burberry's social media universe. In this way Burberry creates synergy between offline and online, making it an integrated experience by exploiting the functions of Facebook to promote the opening and make it democratic. It seems as if Burberry has produced the video for the media, which means that it has been edited to fit the purpose and the media in itself. Bøilerehauge deems this important when communicating online (Bøilerehauge 2012). The video comes across as honest as it portrays the actual people behind the making of the store. This goes hand in hand with the democracy of Facebook and Burberry as it symbolises peer-to-peer communication. Inviting the user to explore the making of the new store and behind the scenes arguably encourages PSI, and by providing the user with knowledge and a feel of belonging will promote relationships according to Porter et al. (2011), and moreover WOM (Sernovitz 2009).

The text-image relationship of this post is a relay relationship, because the text and the video arguably says the same: *'View the craftsmanship of 121 Regent Street, the new Burberry World*

Live Flagship'. The text establishes craftsmanship and the address of the store that have been pointed towards in the semiotic analysis.

4.1.4 British Heritage – semiotic analysis

The image below represents the Burberry Autumn Winter campaign 2012 and shows two albums posted on Burberry's Facebook brand page. The first album consists of 16 images and is called *'Behind the Scenes of the Burberry Autumn/Winter 2012 Campaign'.* The next album *'The Burberry Autumn/Winter 2012 Campaign'* consists of 18 images from the official campaign. Arguably Burberry avoids spamming users with separately uploaded images by using albums.

Two albums for the Autumn/Winter 2012 Campaign uploaded to Burberry's Facebook brand page.[29]

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[29] http://www.facebook.com/burberry?fref=ts

We will analyse the image below from the album *'Behind the Scenes of the Burberry Autumn/Winter 2012 Campaign'*.

Image from Burberry's Facebook photo album 'Behind the scenes of Burberry…' [30]

The 'trick effects' in the image are the camera crew and the equipment. This creates clear connotations to the name of the album, i.e. *'behind the scenes…'*. Being behind the scenes of something could be connected to something exclusive and limited. In this sense the image makes it 'accessible' for the user to see something 'exclusive', thereby balancing between accessibility and exclusivity (Keller 2003).

The 'object' of the image is the couple in the middle. Considering the many photographers and the way they stand together creates connotations to a famous 'it' couple. Subsidiary objects, such as the lampposts and great buildings in the background, create connotations to Burberry's Britishness and grandiosity, i.e. the British Empire.

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[30] http://www.facebook.com/burberry?fref=ts

As mentioned above the 'pose' of the models creates connotations to them as a couple. Moreover, the pose of the viewer, i.e. you and me watching the image, connotes 'being in the crew' and thus arguably an active participant in the making of the campaign for Burberry. This could be seen as a means to create intimacy and closeness to the brand, which might make the consumer confident in terms of brand knowledge and thus a worthy brand messenger, i.e. WOM.

The 'photogenia' of the image is that it is made in black and white. This reinforces a dusk atmosphere, which one might connect to London. Moreover, using black and white creates connotation to old photographs and thus heritage.

The 'aestheticism' of the image borrows from the world of movies, and connotations to the British Sherlock Holmes could be made, considering the shady atmosphere and the models' outfits.

The 'syntax' of the image is a backstage experience. The image could make the user feel as a part of the set, and in this way Burberry makes the online user an integrated part of the image and acknowledges that the user is an active component in an online setting and someone that should not be ignored. Burberry arguably orchestrates a high amount of self-disclosure by allowing the user backstage, something that normally is hidden from the public eye to maintain the tight illusion of perfection (Aconis 2012). One could argue that the user is kept in the background in order to emphasise the distance to the 'it' couple wearing Burberry. This puts focus on what Bøilerehauge mentioned about royalty: *"They wave at you but you can't talk to them."* (Bøilerehauge 2012). As Kapferer and Bastien (2012) put it 'dominate the client' and it comes across as a situation, which is controlled by Burberry. In this way Burberry creates accessibility, which is in line with Facebook, while still remaining exclusive, which could be said to be alpha omega for luxury brands.

The text-image relationship is an anchorage relationship, as the text frames the image and guides the reader. The text says: *'British musician Roo Panes and British actress Gabriella*

Wilde'. Pinpointing nationality and profession creates understanding of why exactly these personalities are chosen to represent Burberry in this campaign i.e. they belong to the creative class and their British roots enhance the British heritage of Burberry.

Below the counterpart to the image analysed can be seen - a more traditional notion of luxury branding, which suits both online and traditional platforms.
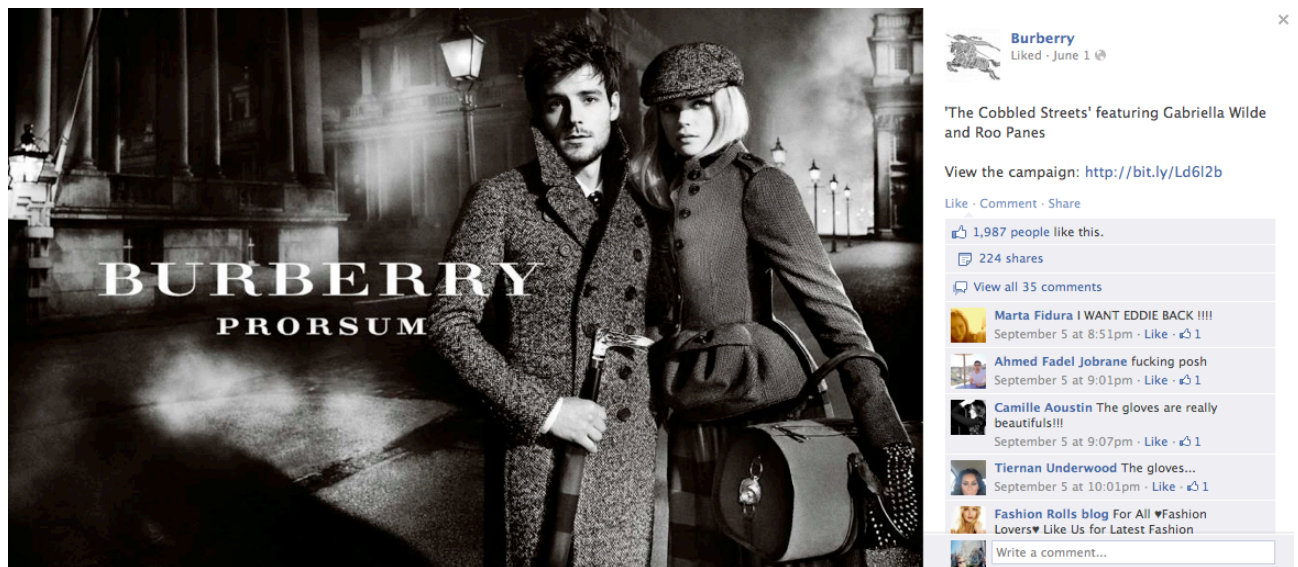
Image from the Autumn/Winter 2012 campaign.[31]

One might argue that the image analysed creates depth and complexity of the campaign via the online communication and invites the user backstage. Aconis considers this something which many luxury brand lack online today and explains how Facebook is a useful tool to convey the brand story compared to traditional media such as magazines (Aconis 2012). Notably, also a video was posted to enhance the message of the campaign.

4.1.5 Burberry's use of Facebook

Burberry makes use of Facebook to convey the story of the brand. As we have seen in the semiotic analysis above Burberry express their heritage and British roots in different ways.

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[31] http://www.facebook.com/burberry?fref=ts

Below is an example of how Burberry has actively exploited the timeline function of Facebook to more explicitly describe and educate the user in the rich history of the brand.
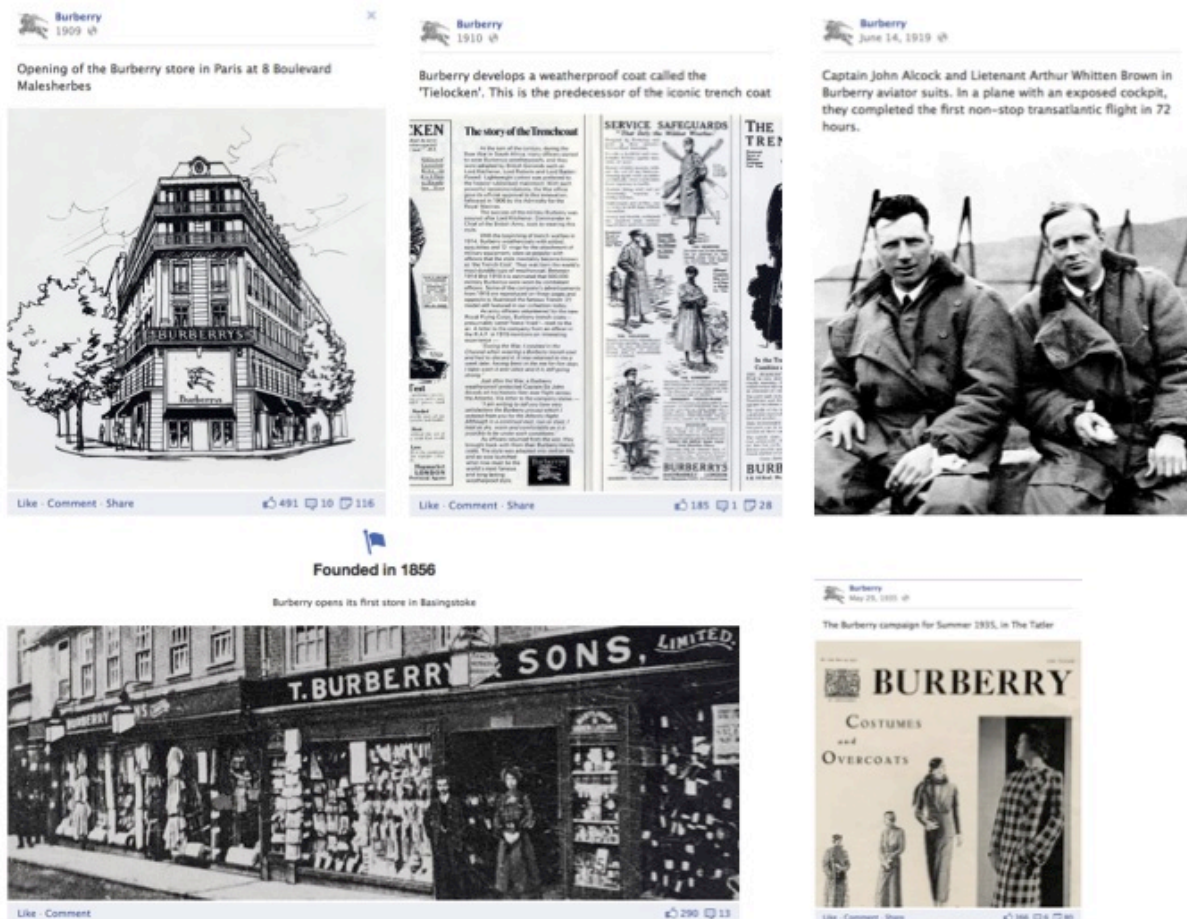
Five posts from the Burberry Facebook timeline, which tells the fans the story of the brand – the heritage[32]

A key component in the online communication could be said to be the strategic use of celebrities, which the images below emphasise.

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[32] http://www.facebook.com/burberry?fref=ts
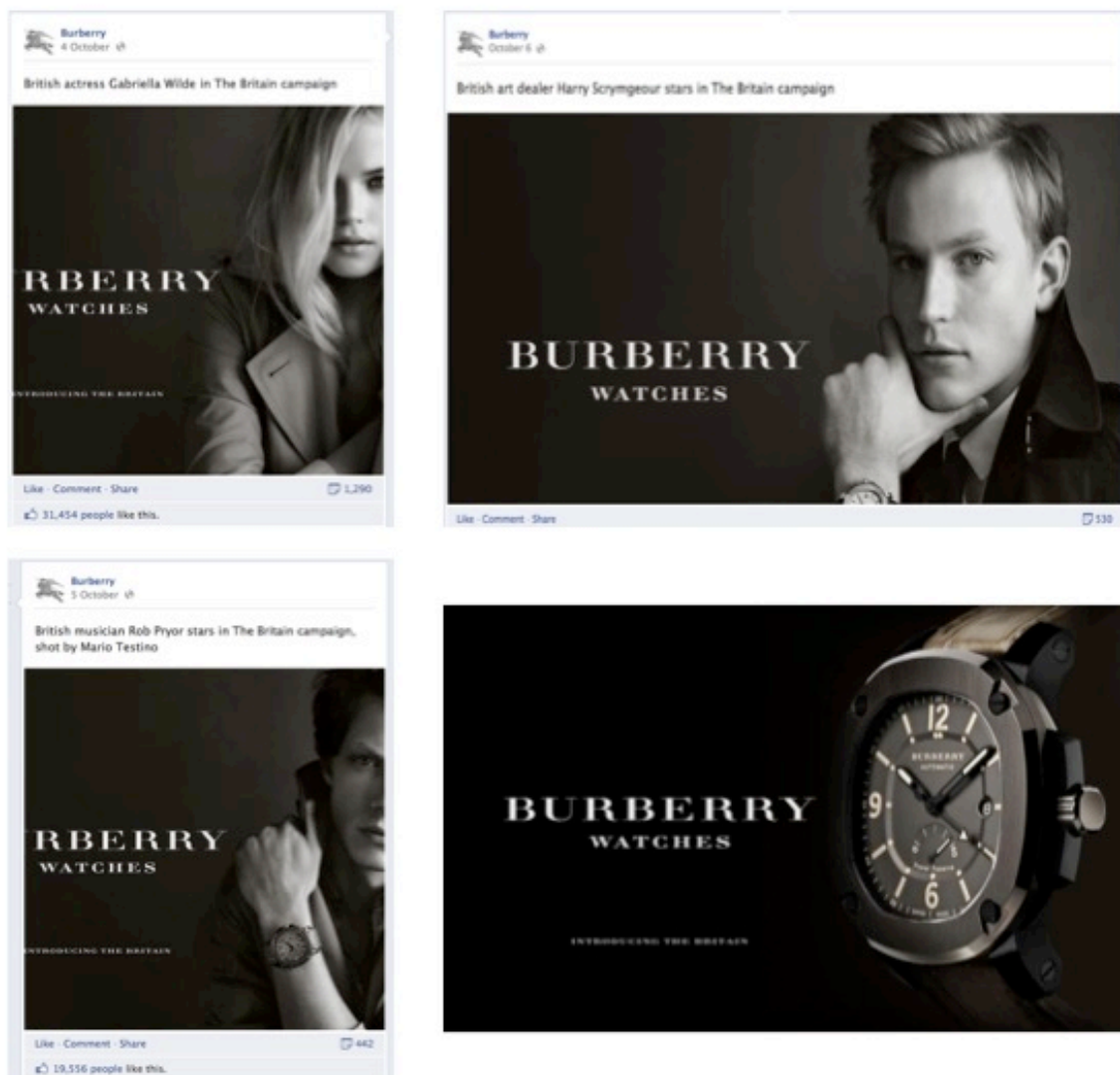
Burberry watches campaign portraying three British personalities from the creative class and the products.[33]

In three of the images nationality and profession of the celebrities is stressed, which we also saw above. By emphasizing the use of actresses, musicians and art dealers Burberry creates connotations to the creative class and a strategic reference to the anti-law 'cultivate closeness to the arts for the initiates' (Kapferer&Bastien 2012). Moreover the nationality seeks to enhance the British element of Burberry. These values are arguably fused into the luxury brand identity as well as in the products in the images. Notably, the celebrities are used consistently throughout platforms and Burberry's sub-brands, underlining media plan integration and activity alignment. Moreover, one could argue that this gives them a strong status as brand

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[33] http://www.facebook.com/burberry?fref=ts

ambassadors and gives the product in question a quality stamp. This differs from the use of Bailey, as his role might be to add some human characteristics to the luxury brand. Presumably, it demands specific knowledge to decode the relevance and use of the celebrities and Bailey. This arguably pulls back the luxury brand from being too accessible, which Skjold finds relevant for luxury brands (Skjold 2012). Though, considering how the text frames the image Burberry do help the users in decoding to a certain extent.

On Facebook Burberry does not differ in the communication between the three sub-brands Burberry Prorsum, Burberry London and Burberry Brit. The three brands arguably represents three levels of the luxury pyramid, namely supreme luxury, lifestyle luxury and accessible luxury. This raises the question if Burberry should have made three individual strategies online, but one might argue that considering the creative development of the overall brand it makes sense to create clear overall communications and then deviate on other facets than their communication strategy to create a consistent Burberry brand universe. Arguably the dream is to be found on all levels of the brand.

By providing consistency in the online communication and the digital experience, it seems clear why Burberry have become cult in the digital world of luxury fashion: *" … we are all thinking Burberry, who managed to create something out of the ordinary online, taking that online presence and developed it into a new shop in London … they are light years ahead of everyone else." (Bøilerehauge 2012).* As we have seen in above semiotic analysis they have managed to do this by among others creating a hand-written note from Burberry's CCO Bailey; creating a virtual tour of the craftsmanship of the new flagship store; and creating a visual experience behind the scenes of an autumn/winter campaign. The initiatives build bridges between offline and online and ensure media plan integration, which in sum prolongs the luxury brand experience. In this way Burberry seems to have no flaws in the online communication, which draws attention to the flawsome trend defined by trendwatching.com. As mentioned in the theoretical framework luxury brands should be careful adopting the social media trend 'flawsome' as a part of an engagement strategy as luxury brands are arguably about maintaining control (Kapferer&Bastien 2012, Aconis 2012).

Throughout the semiotic analysis there has been pointed towards how Burberry manages to balance exclusivity versus accessibility by using trick effects in their visual communication that represents the exclusive and elevated world of luxury, while embracing the participatory and accessible nature of Facebook. This way of communicating could be said to highlight the digital adaption and integration Burberry has made. In order not to damage the brand itself an incremental innovation has been employed bridging the familiar with the novel. The familiar being portrayed through elements such as heritage and craftsmanship and the novel being the online social platform and the characteristics it automatically ascribe to the brand. Overall an arguably balance and strive for intimacy without letting the customer near enough to see the real surroundings of 'behind the scenes of Burberry' – a tightly controlled illusion.

4.2 Prada
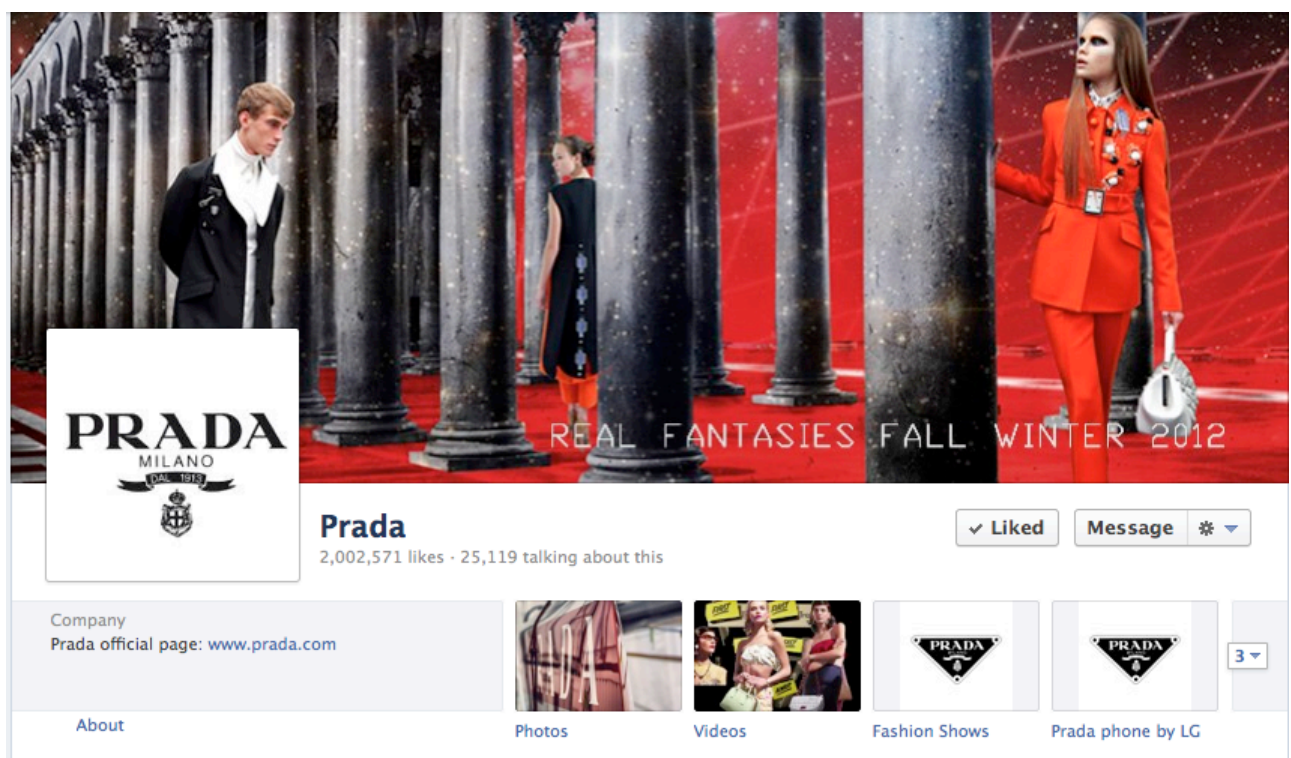
Prada's Facebook brand page cover[34]

The Italian lifestyle luxury brand Prada has around 2 million likes on their Facebook brand page.

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[34] http://www.facebook.com/Prada?fref=ts

As an introduction to the semiotic analysis we will start out with a case description. The semiotic analysis of three images from Prada's Facebook brand page will be analysed according to Barthes' semiotics. By making an in-depth visual analysis we seek to create understanding of Prada's communication on Facebook.

4.2.1 Prada - case description

Prada was founded in 1913 in Milan selling leather bags and goods. Miuccia Prada has been running the brand with her husband since 1978[35]. Prada's current success and increasing brand value ranks the brand number 84 at Interbrand's 'Best Global Brands 2012'. Interbrand justifies the ranking by stating that Prada's innovative approach and self-confident attitude steer trends instead of following them[36].

Prada is marked by a luxurious Italian heritage. The luxurious core of the brand has been recognised since Prada's very beginning, as the brand quickly gained recognition and became established among the Italian elite as well as being the official supplier to the royal family in Italy[37]. Today the production is mainly placed in Italy, which emphasizes the strong Italian connotations[38]. The Italian luxuriousness is underlined by the fact that the very first Prada store in the centre of Milan has remained its original façade, making it a must-see attraction for those interested in fashion.

Prada has been characterised as *"The biggest digital disappointment in luxury."* (Galloway 2011b: 9), and is ranked as number 96 of 100 luxury brands and is 'feeble' in terms of Facebook IQ according to L2 Think Tank (Galloway 2011) . One might assume that the area of social media has not become a priority in the luxury organisation. A quote speaking in favour of that

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[35] http://www.lifeinitaly.com/fashion/prada.asp
[36] http://www.interbrand.com/en/best-global-brands/2012/Prada
[37] http://www.pradagroup.com/en/group/history
[38] http://www.pradagroup.com/en/group/production

assumption is: *"I think it's bulls"*[39] said by Creative Director Miuccia Prada when asked about social media and its influence on luxury brands.

4.2.2 The celebrity factor – semiotic analysis

Below image is a post from Prada's Facebook brand page that portrays a celebrity wearing Prada.
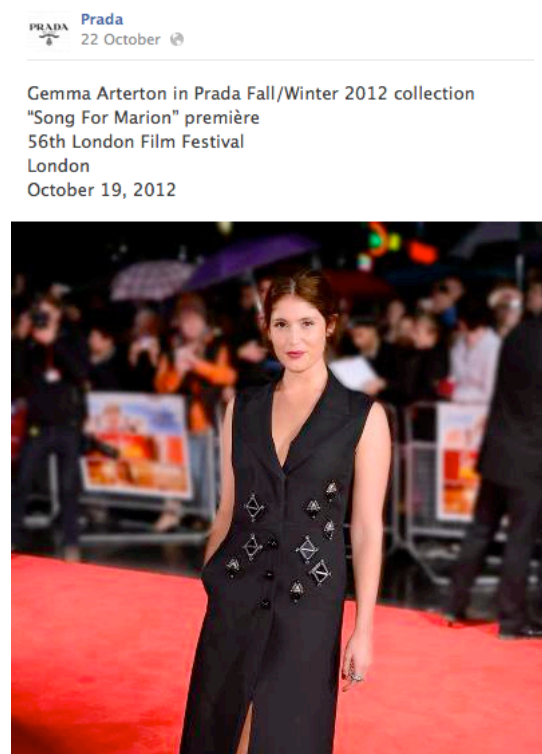
Image from Prada's Facebook brand page showing the use of celebrities[40]

The image above is an example of Prada's use of celebrity images. The denotation of the image is a woman. The 'trick effect' is a connotation of a red-carpet event that may signify exclusivity.

The 'objects' in the image are the red carpet and the people in the background. The red carpet could connote something exclusive, limited and inaccessible. The people in the background make connotations to a horde of fans, eager to see who is on the red carpet.

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[39] http://magazine.wsj.com/features/the-big-interview/miuccia-and-me/4/
[40] http://www.facebook.com/Prada?fref=ts

The text-image relationship is an anchorage relationship, as the text frames the image and guides the reader. The text says: *'Gemma Arterton in Prada Fall/Winter 2012 collection "Song for Marion" premiére 56th London Film Festival London October 19, 2012'*. One might say that the text has more focus on the actress and the event than the luxury brand itself. In this sense Prada's values are arguably not communicated.

The syntax of the image can be said to be a red-carpet experience. One might argue that this type of celebrity use bear resemblance to the mass-market communication in glossy magazines which may not favour the luxury brand Prada. This draws attention to Kapferer and Bastien's (2012) anti-law 'keep stars out of your advertising', which argues that a luxury brand should be careful not to use stars in the communication that will either overshadow the luxury brand or have no strategic purpose. Moreover, Aconis states that it is important to figure out what type of need to cover, in order not to devalue the luxury brand (Aconis 2012). On the other hand, some might argue that the exposure will benefit the luxury brand's PR value. This is a discussion we will elaborate further on.
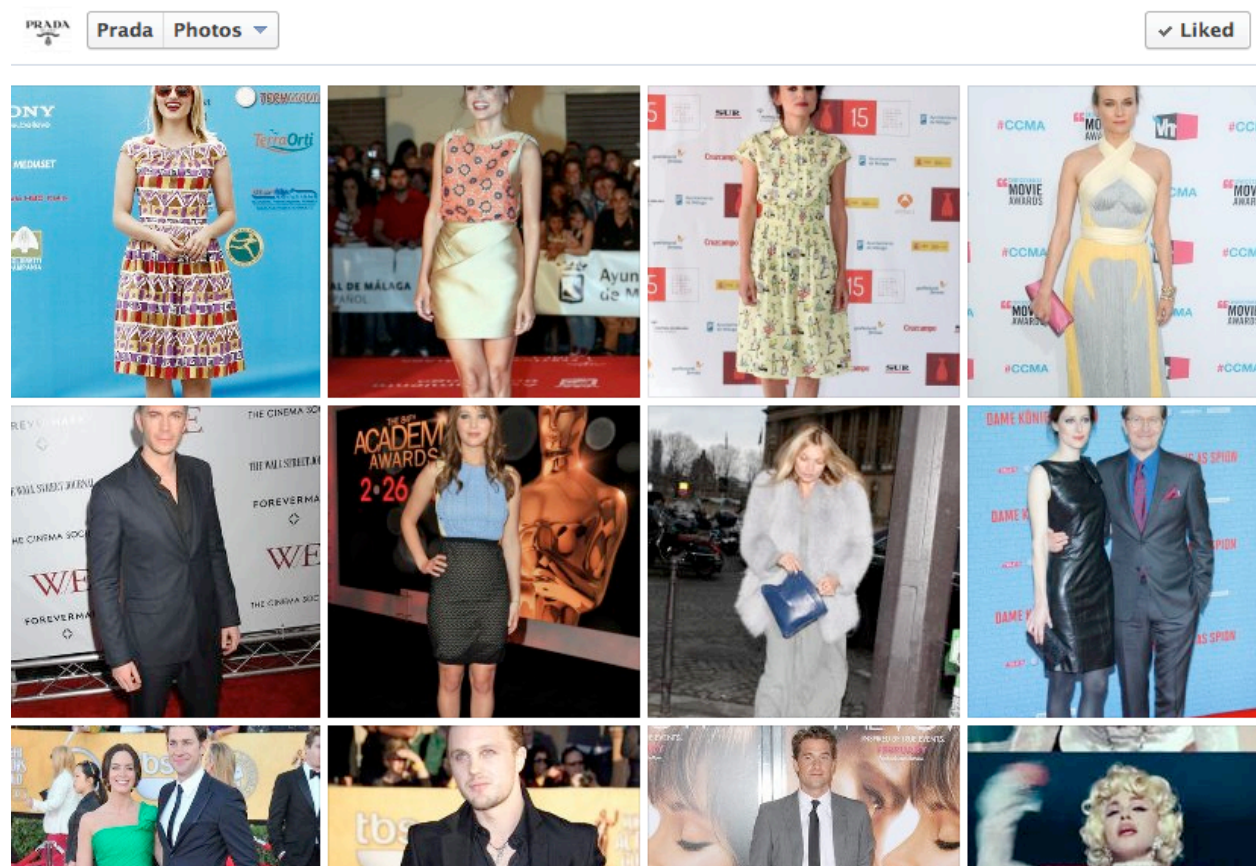
Four images from Prada's Facebook photo album 'PRADA FRIENDS'[A1]

The image above is from Prada's Facebook photo album 'PRADA FRIENDS'. The fact that Prada has made an album called 'PRADA FRIENDS' show some sign of editing, which Bøilerehauge (2012) and Skjold (2012) consider important to create relevant and luxurious material for Facebook. However, the images in themselves appear similar to above image, which do not seem to be a strategic choice reinforcing the luxury brand identity. Moreover, the level of self-disclosure Prada balances through these types of images is arguably low, due to the fact that Prada's own values are not clearly communicated. A low level of self-disclosure does not reinforce the creation of valuable relationships on Facebook according to Kaplan and Haenlain (2010), and moreover the images may come across as less credible and they may not reflect the offline Prada universe. In this sense it is noteworthy that credibility from the sender is relevant to generate WOM (Sernovitz 2009).

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[41] http://www.facebook.com/media/set/?set=a.168887613216196.29735.164637176974573&type=3

4.2.3 A product focus – semiotic analysis

Below image is a Facebook brand page post from Prada that seeks to promote a limited edition handbag.
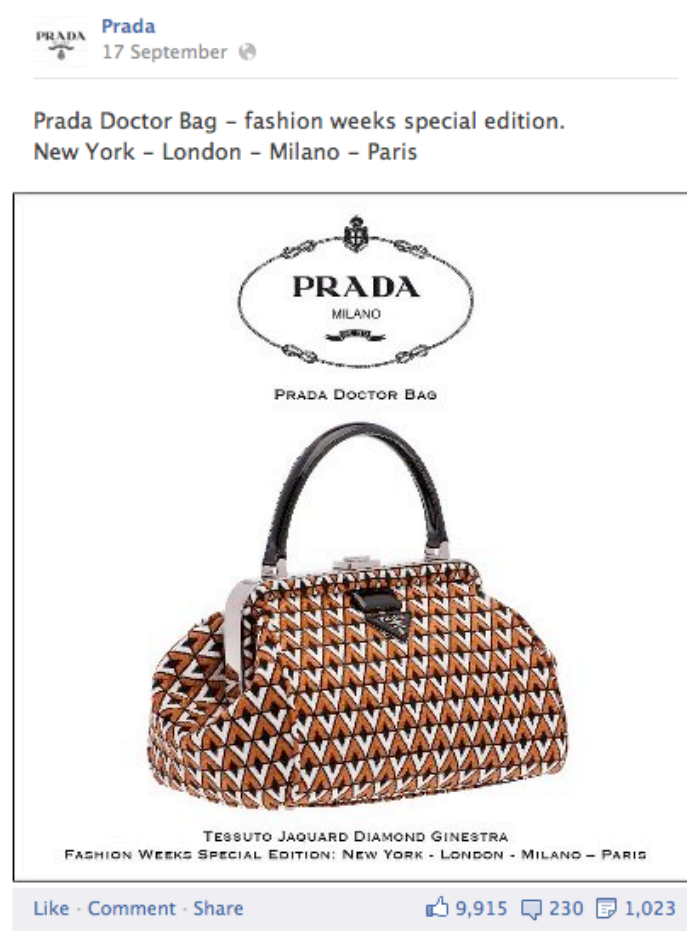
Post from Prada's Facebook brand page that shows the product focus[42]

The 'trick effect' of the image denotes a bag. The connotation of the bag one might argue comes from its shape and can be characterised as a so-called doctor bag. A doctor bag might create further connotations to characteristics such as functionality, a strict silhouette, and timelessness.

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[42] http://www.facebook.com/Prada?fref=ts

The 'object' of the image is the logo of Prada. The logo above says 'Milano' and the year it was founded, which refer to the heritage of Prada and may seek to underline its Italian exclusivity. Kapferer and Bastien (2012) state that a luxury brand logo can be considered a quality stamp that arguably projects its values to the product and the persons wearing or using it.

One might argue that the 'aestheticism' of the image borrows tendencies from the 1950's or the 1960's due to the geometric pattern of the bag. This borrowing might add and contribute with heritage and vintage values. One might argue that this connotation is in line with the brand identity of Prada, which consists of heritage and vintage product considering their iconic products from that period of time.

'The text-image relationship' is present on two levels i.e. in the image and in the text belonging to the image. However, in this case both text levels state more or less the same. In the bottom of the image the text says: '*Tessuto Jaquard Diamond Ginestra. Fashion weeks special edition: New York – London – Milano – Paris'*. One might argue that it takes specialised knowledge to know that 'Tessuto Jaquard Diamond Ginestra' is a type of fabric. Appadurai (1986) argues that specialised knowledge is a prerequisite of luxury. Corbellini and Saviolo (2010) refer to this as 'exclusive communication', which is a part of the 'coherent system of excellence'. In the bottom of the actual image and in the status update belonging to the image it is pointed out that it is a special edition bag, made in relation to the fashion weeks in New York, London, Milan, and Paris. These cities are the only places where the bag is sold. This connotes inaccessibility and exclusivity. The centrality of selective distribution and scarcity is a key asset to any luxury brand according to Corbellini and Saviolo (2010) and Appadurai (1986). Bøilerehauge agrees stating *"…if you have a product that is very difficult to get a hold of or is only available to a limited extent you could define that as being a luxury product…"* (Bøilerehauge 2012).

The syntax of the image is a product focus. Arguably Prada seeks to create product awareness through Facebook. One might say that core values are being disclosed through connotations. On the other hand, one might argue that Facebook's functions have not been exploited. Aconis (2012) says that through Facebook luxury brands can convey more complex and deep stories to

the users, than in traditional media e.g. a print advertisement in Vogue. The connotations that speak in favour of Prada conveying their values would not have been different in a print ad in Vogue. Thus, it seems as if Prada is treating Facebook as a traditional media channel and thereby does not benefit from the two-way communication platform that allows for self-disclosure i.e. 'showing off' the luxury brand identity and creating PSI, which may lead to credibility and WOM. Therefore, the option of diminishing the ambiguity on social media has not been used through the textual level.

4.2.4 Prada's use of Facebook

The prevailing approach on Prada's Facebook brand page seems to be posts of celebrities wearing Prada. One might say that the celebrity values are overshadowing Prada's brand identity and values because Prada does not seem to be a central element.

The celebrity images on Prada's Facebook brand page are informative in terms of who the celebrity is, where the photo is taken, and when. However one could say that it would favour Prada more if attention was put to why this celebrity fits the product and the luxury brand, i.e. creating stories in the communication that frame the purpose and the luxuriousness. Aconis states that creating complex and deep stories is one of the opportunities for luxury brand on Facebook (Aconis 2012). Further Aconis emphasises another challenge and opportunity of Facebook: *"… from a very immediate point of view I think social media lends itself as a communication tool, an easy and effective communication tool in order for luxury brands to communicate what they are about and why they are a luxury brand and what kind of luxury they can offer us."* (Aconis 2012). One might say that Facebook is an easy tool, but making it an effective tool for communicating ones luxury brand identity might be more difficult than first assumed. Bøilerehauge points out: *"The usual pitfalls is just posting one-way communication, even though you are on a social medium or social platform."* (Bøilerehauge 2012).

As seen above Prada makes use of Facebook to create product awareness. The communication bears resemblance of a traditional print ad, which does not have the same possibilities to create extra layers of communicating the product. Prada arguably does not exploit the functions of Facebook that allows for creating emotional and self-expressive value propositions to a greater extent than traditional media offers and arguably miss out on an opportunity to convey valuable luxury connotations to the online users. Further, Prada does not seek to use the advantages of two-way communication or simulating two-way communication. One might argue that by not accommodating two-way communication Prada miss out on the interactive functions, which are essential to create credibility on Facebook.

We have found that the dominating perspective in terms Prada's use of Facebook is the lack of stories that communicate Prada's values. This counts for both creating product awareness and product endorsements by celebrities. It might be difficult for users to relate and feel a belonging in the Prada universe (Porter et al. 2011, Wave 6 2012, Singh et al. 2012) if the luxury brand's values are not communicated.

4.3 Acne
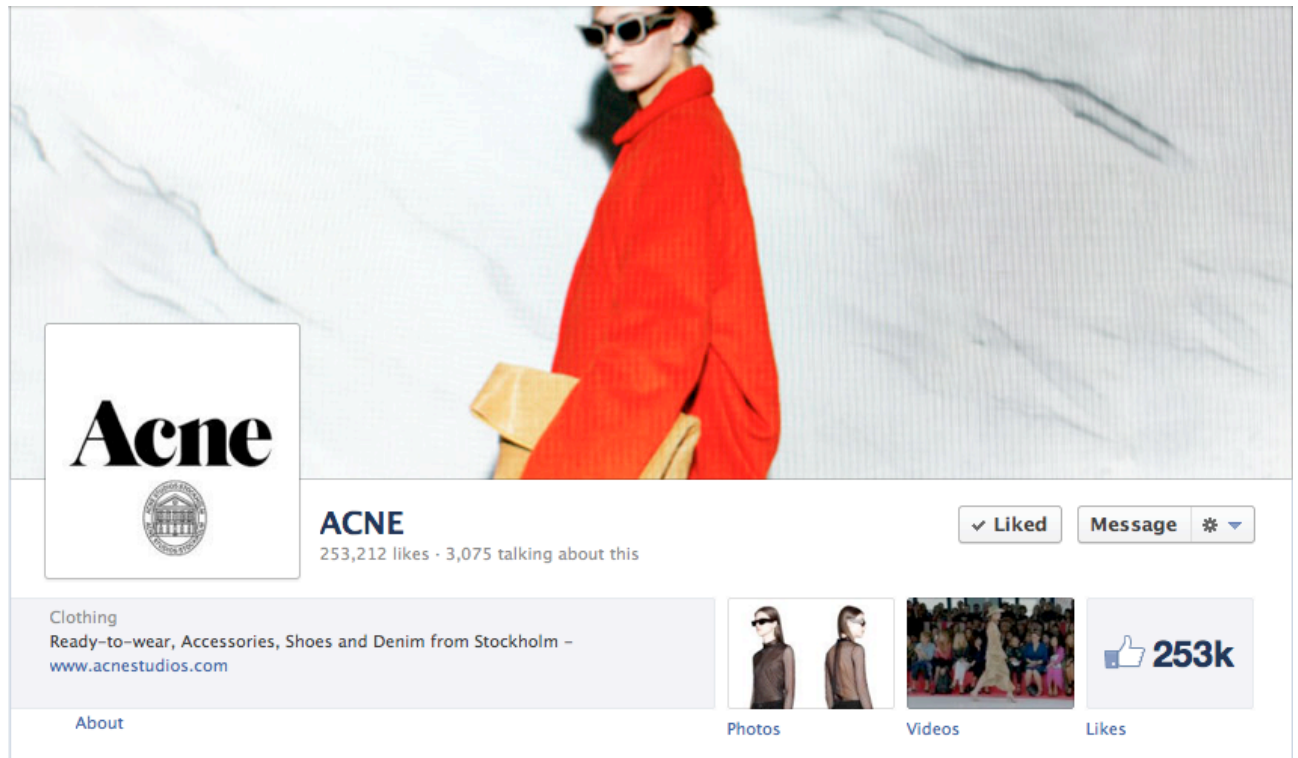
Acne's Facebook brand page cover[43]

The accessible luxury brand Acne has 253,212 likes on their Facebook brand page. In their own words they provide *'Ready-to-wear, Accessories, Shoes and Denim from Stockholm'[44]*.

As an introduction to the semiotic analysis we will start out with a case description. The semiotic analysis of three images from Acne's Facebook brand page will be analysed according to Barthes' semiotics. By making an in-depth visual analysis we seek to create understanding of Acne's communication on Facebook.

4.3.1 Acne - case description

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[43] http://www.facebook.com/acneonline?fref=ts
[44] http://www.facebook.com/acneonline?fref=ts

Acne was founded as a graphic agency in 1996. The fashion aspect was established in 1997 where one hundred pairs of jeans were given away and became the most sought after product in Stockholm. The name Acne stands for 'Ambition to Create Novel Expressions', which according to Chief designer Jonny Johansson was a symbol for the rebel atmosphere that surrounded the entire setup in the beginning (Børsen 2012). Johansson explains that when they started they were not fond of categorising themselves and said: *"We wanted to be on our own island where you can do what you want."*, but he admits that being accepted as both a ready to wear brand and a denim brand was difficult[45]. Mikael Schiller co-owner at Acne points out that two strong beliefs are *"always know product is king. If we don't have good product, we don't have any right to exist"* and *"To give customers very good service, we cannot have too many customers."*[46] Schiller says that the whole idea in the beginning was to design clothes for people working at Acne and sell the clothes in shops they liked to shop in[47].

Acne is a part of a creative collective, which consists of an advertising agency 'Acne advertising', a graphic agency 'Acne art department', a film production 'Acne production' and a magazine 'Acne paper'[48]. The Acne Paper is characterised as a biannual collaboration between the Acne departments[49]. Schiller from Acne says: *"The idea of Acne Paper is to write about what we're inspired by. As far as I know, there's never been an interview in the magazine with anyone working for Acne or even a customer … It's about other interesting people."*[50]. This statement and the collaboration between departments, makes the Acne Paper a mirror of the Acne brand in general.

Acne describes the paper in the following way: *"It's large uncoated format, delicately embellished with a striking portrait, title at the bottom instead of the usual top, suggested something different, something timeless, something nostalgic yet refreshingly modern … each issue has been created around one idea – a theme big enough to appeal to everyone interested in the arts regardless of their age or their culture. With an in-depth editorial identity that*

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[45] http://www.wwd.com/fashion-news/fashion-features/european-brands-look-to-rtw-1560736?full=true
[46] http://www.gq.com.au/style/news/galleries/acne+studios,15735?pos=1#top
[47] http://www.gq.com.au/style/news/galleries/acne+studios,15735?pos=1#top
[48] www.acne.se
[49] http://www.gq.com.au/style/news/galleries/acne+studios,15735?pos=1#top
[50] http://www.gq.com.au/style/news/galleries/acne+studios,15735?pos=1#top

affectionately merges the past with the present, each issue of Acne Paper explores its subject from various and often unexpected viewpoints. Because of its seriousness in content and originality of style the magazine is being recognised all over the world as an intelligent and glamorous publication unlike any other. Acne Paper … has featured and collaborated with some of the most distinguished names in the worlds of photography, art, fashion, and culture at large"[51].

The four images below reflect examples of the diverse ideas constituting the theme of four of the papers.

Four different covers from the Acne Paper[52]

Acne is a brand in growth. Every store has its own personal expression according to the city in question (Børsen 2012). The brand has an international outlook with runway shows located in London and Stockholm fashion week (Børsen 2012). Moreover, Acne is collaborating with brands and personalities, such the French luxury brand Lanvin[53] and their most recent collaboration with photographer Lord Snowdon[54].

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[51] www.acnepaper.com/about/
[52] http://shop.acnestudios.com/shop/men/acne-paper-1.html
[53] http://www.coolhunting.com/style/lanvinacne-2010.php
[54] www.acnepaper.com/about/

4.3.2 Intelligent Fashion clowns – semiotic analysis

Below image is from a photo editorial in 13th issue of the Acne Paper. It is posted on Facebook to promote the launch of the Paper. This image is one of a few appetizers or advertisements that Acne has published on Facebook in order to create hype, curiosity and sales of the 13th issue.
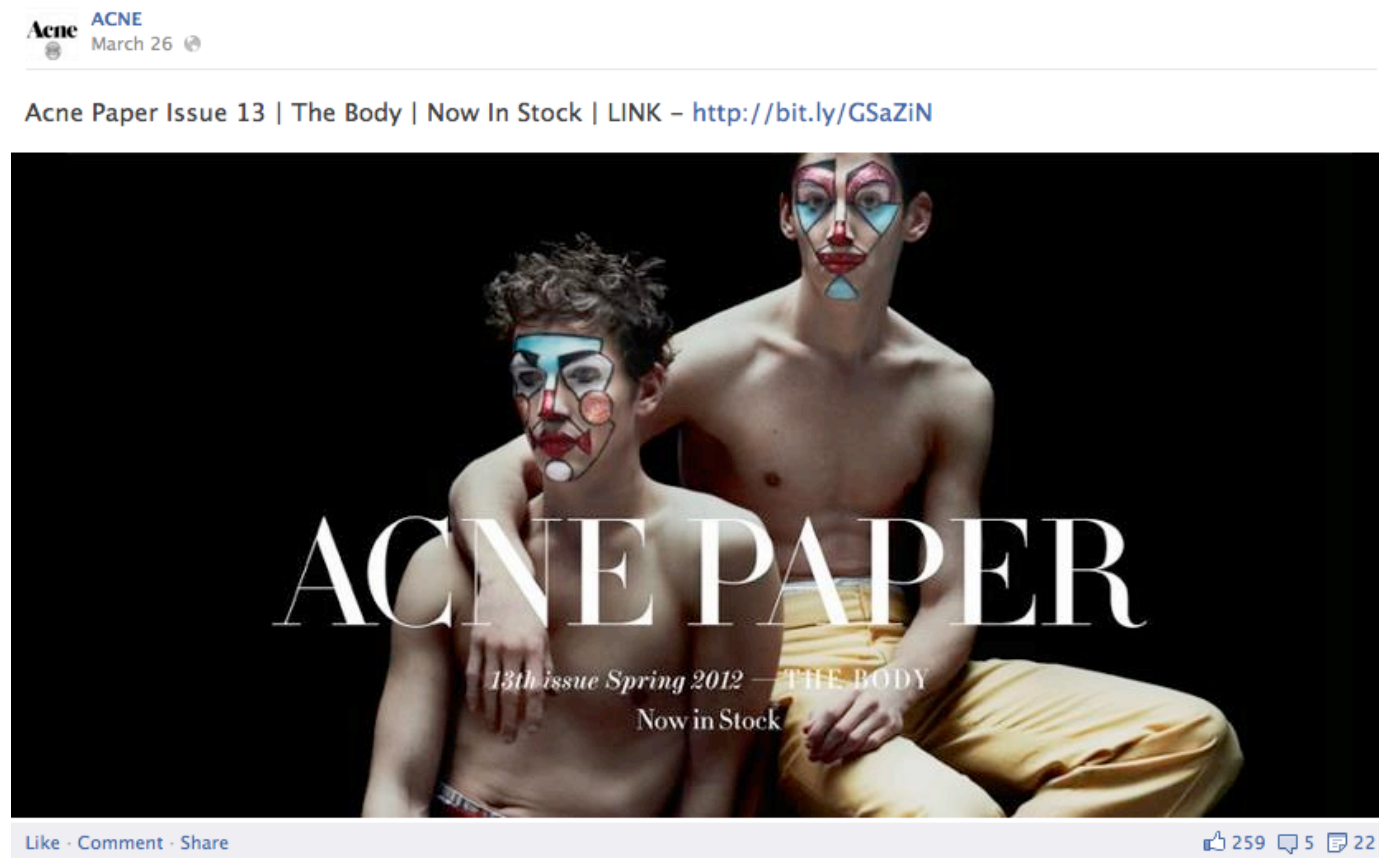
Image posted on Acne's Facebook brand page promoting the 13th issue of the Acne Paper[55]

The 'trick effect' of above image is a denotation of two boys sitting in the centre of an image. The clown faces creates connotations to humour and happiness. However, in contrast to this, the facial expressions seem serious. This draws parallels to the 'seriousness' of the Acne Paper as mentioned above. The phrase 'to be a clown' or 'act as a clown' creates connotations to making a mistake or acting stupid, which is about not being perfect. The bodies of the boys

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[55] http://www.facebook.com/acneonline?fref=ts

connote skinny or athletic bodies, which in the fashion industry is often the same as perfection. However, considering the image below, the cover of the 13th issue, the man in the picture is rather fat and is for many people not perfect. Perfection and the Acne Paper theme 'the body' creates discussions about society and the beauty ideal we have today. Noticeably, the predisposition of having seen the cover of the 13th issue 'the body' made this connotation about perfection possible.

Acne Paper cover 13th issue 'the body'[56]

From a brand management point of view there is arguably created barriers of understanding, as a specialised knowledge of discussions of art, fashion, perfection and society is required to understand, which is according to Appadurai (1986) a way to sort out the mass-market consumers. Everyone can buy, but only the dedicated can become a part of the Acne universe. The barriers of participation are in line with Acne's strong belief that to be able to create the good service experience, they cannot have too many customers.

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[56] http://www.acnepaper.com/pastissues/

The 'pose' of the image is a classic pose of a portrait picture, which is central for the Acne Paper. One of the guys looks straight into the lense and the other looks a little bit away. The pose connotes intimacy, which are emphasised by the skin-against-skin.

The painted clown faces can be regarded as the 'objects' of the image. The painted faces together with the yellow pair of pants are associating something colourful and playful. The mouth of the clown on the left creates connotations to a piece of candy, referring to a young-minded and playful spirit, or to a butterfly, referring to the clothing and fashion industry. Considering the presence of spring collection at the time where the 13th issue was launched, one can see resemblance in the colours between the image and the spring collection. From a brand management point of view this image supports the fact that the Acne Paper is promoting the brand Acne as a whole, and thus also the values and products. Schiller just points out that it is not done in an explicit way by saying that Acne Paper does not write about Acne, leading us to the previously mentioned characteristics about sophisticated intelligence.

The 'photogenia' of this image is a heavy focus in terms of lightning on the skin and shoulders of the boys, which draws attention to their bodies. This focus could create a connotation to the overall theme of this issue 'the body'.

In terms of 'aestheticism' the image is arguably borrowing from the world of clowns. For most people clowns signify amusement, but they have also functioned as advisors for leaders and royalties through time. One might say that the painted faces of the clowns resemble the commedia dell'Arte Harlequin clown. This specific clown normally takes the role as a messenger or the catalyst of mayhem. One might come to the conclusion that Acne seeks to stir up structures with their magazines, as well as they would like to create a superior and influential opinion affecting and educating parts of society. According to Kapferer and Bastien this is one of the roles of luxury brands – to educate the consumers in taste by using creative methods: *"…luxury is not a follower: it is creative, it is bold."* (Kapferer 2012: 78).

On an abstract level of the 'syntax', the image from Acne Paper positions the brand Acne as an elevated brand, by using barriers of intellectuality.

The 'text-image relationship' consists of two textual levels: The text in the image and the text in the status update connected to the image. The text in the image says *'Acne Paper 13th issue Spring 2012 – THE BODY Now in Stock'* and the text linked to this post states the same but provides a link to the Acne Paper website. The relationship between image and text is anchorage relationship, as the text frames the image and directs the user. The sentence structure is declarative and informative. However, the link encourages the user to explore and buy the full issue in Acne's webshop. On the other hand, the Facebook post and the text does not meet many of the characteristics connected to social media and in this sense Acne is not benefitting from the strengths of social media, in terms of online user engagement which may lead to WOM.

4.3.3 The Snowdon Blue Collaboration – semiotic analysis

Below image is part of a co-branding project between Acne and photographer Lord Snowdon. The collaboration consisted of eight blue shirts, a limited edition book of previous portraits portraying the colour blue and eight new portraits with the Acne Snowdon Blue shirts, and an exhibition of Snowdon Portraits displayed in the Acne stores in London, Paris and Stockholm.
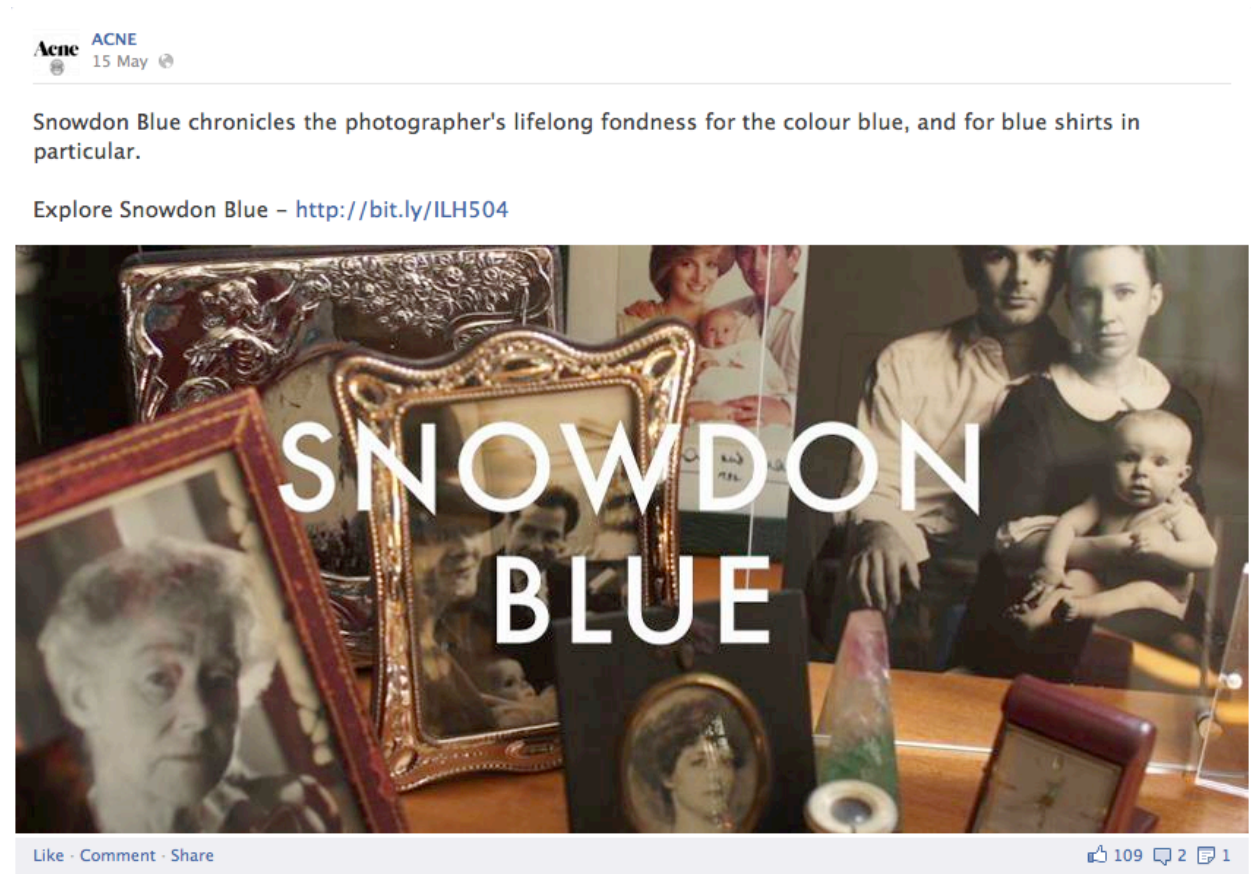
Image from Acne's Facebook brand page in relation to the Snowdon Blue co-branding project[57]

The 'trick effect' of the image is the text *'SNOWDON BLUE'*. The denotation of this trick effect is a name and a colour. The colour blue often connotes honesty, trustworthiness and conservatism and to some extent royalties i.e. 'royal blue'. The name Snowdon can create connotations to Princess Margaret, Countess of Snowdon and little sister to the present Queen Elisabeth of United Kingdom. Princess Margaret was married and later separated to the photographer Antony Armstrong-Jones, who got the title Lord Snowdon. Therefore, one could argue that Snowdon refers to the royal sphere. Noticeably, this is specialised knowledge that not everyone knows of. This creates references to Appadurai's (1986) rhetorical and social signs as a means for creating mass-market barriers, as well as one of Corbellini and Saviolo's (2010) luxury brand traits 'exclusive communication'.

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[57] http://www.facebook.com/acneonline?fref=ts

The 'objects' of the image are the picture frames. The connotation to the frames can be linked to putting something or someone in a frame. Framing something or someone is often linked to a wish of remembering, e.g. because of a warm memory, significant role in someone's life, admiration, or an attempt to eternalize time. Taking a closer look at the pictures in the frames, a glimpse of Prince Charles and Lady Diana appears, which arguably strengthens the connotations to royalty.

Acne has fused Lord Snowdon, the colour blue and Acne by calling the collaboration 'Snowdon Blue' and in this sense creates a temporary brand personality, considering the brand identity prism (Kapferer&Bastien 2012). This is emphasised in the image below, presenting a quote by Lord Snowdon as well as his personal signature posted on Acne's Facebook brand page.

One example of Acne making use of the personal signature of Lord Snowdon.[58]

Considering 'aestheticism', Acne is borrowing from the world of Lord Snowdon, which refers to the world of photography, art, and royalty. Photography being a part of the art world the anti-law about cultivating closeness to arts becomes a main component once again.

The 'syntax' of the image connotes a creation of a temporary brand identity between Lord Snowdon and Acne, which functions as a way to elevate the Acne brand from the mass-market. References to royalties, Lady Diana, the colour blue, the art world and aristocracy creates an integrated experience, and there is accordance between the connotations, concept, concept

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[58] http://www.facebook.com/acneonline?fref=ts

name, concept values and brand values. In order to become a part of this exclusive world it requires investigation and engagement from the user to break the barriers and understand the exclusivity.

The limited editions of products from this collaboration are stressing the anti-law 'do not sell' (Kapferer&Bastien 2012), which is about thinking different than volume strategy and mass consumption. Bøilerehauge (2012) supports this when she states that limited availability is a signifier of something luxurious. One might argue that Acne is proving their luxuriousness through the collaborations, as their core clothing products could be regarded as an accessible product.

The 'text-image relationship' of the image is an anchorage relationship because the visual and textual connotations in themselves would not lead the viewer to similar conclusions. The status update seeks to inform and involve the viewer in this project by saying *"Snowdon Blue chronicles the photographer's lifelong fondness for the colour blue, and for blue shirts in particular. Explore Snowdon Blue – http://bit.ly/ILH504".* The text serves to include and induce the user to go further and 'explore' the project on the website. Having a website as the main channel is questioned by Thomsen (2012), who believes that the website is dead and he favours social media platforms as the main destination, as this is where you can truly connect with the users.

4.3.4 Product is King – semiotic analysis

In the following we will analyse Acne's product-focus on their Facebook brand page.
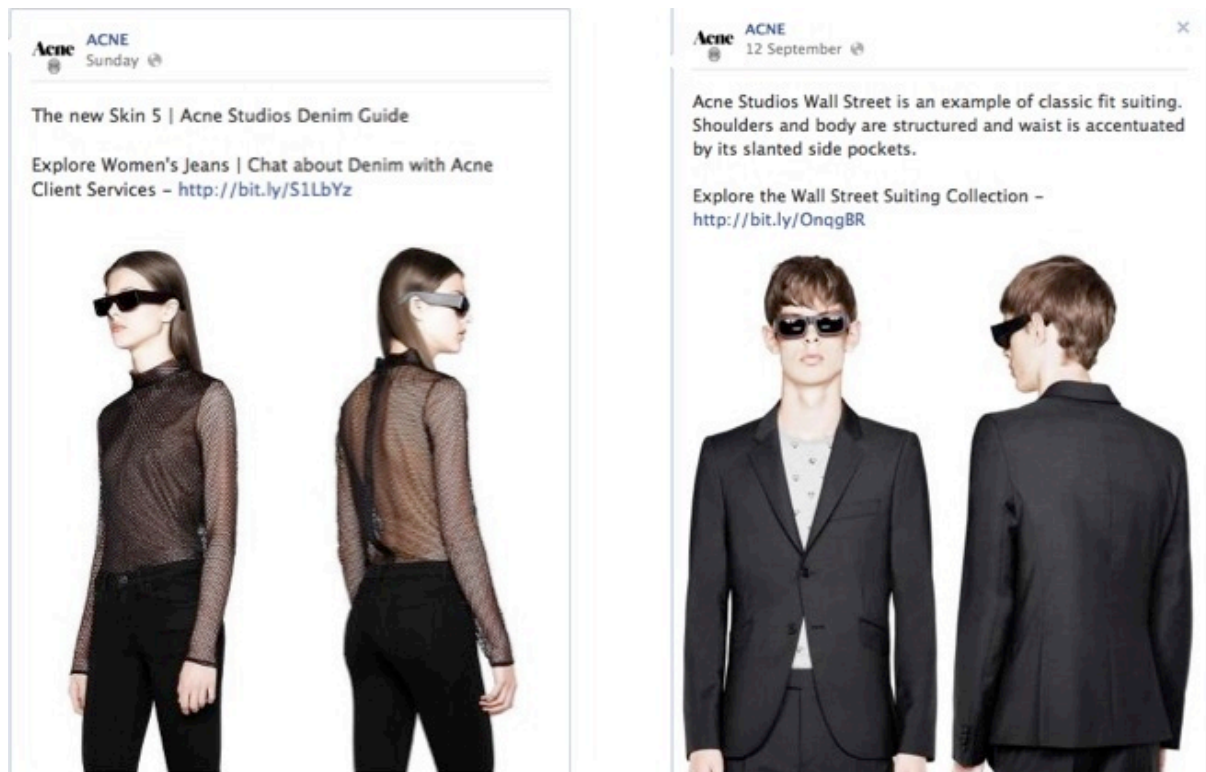
Two product images from Acne's Facebook brand page[59]

The 'trick effects' of the two above images are a fashionably dressed boy and girl. The connotations are simple and classic, and edgy and brave. From a brand management perspective Acne could embrace the values by incorporating them in the communication and product awareness strategy on Facebook.

The accessories i.e. sunglasses functions as the 'objects' of the image and create extended product awareness across different product categories. Moreover, the accessories add to the looks, and arguably give them a certain attitude.

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[59] http://www.facebook.com/acneonline?fref=ts

'Pose' and 'aestheticism' of these images seem to be interlinked in the way that the images borrow from the world of fashion. The pose creates connotations to mannequins and becomes a signifier to clothing rags, which is the pose on runways. The discrete pose allows more or less full focus on the products.

The 'syntax' of these four images is a simple and forward focus on attitudes and products. There seems to be an overall coherence in the visual communication of these posts. It underlines the quote by Schiller from Acne 'product is king' and does not bring any other significant signifier into these images than the attitude of the models, which is stressed by the objects namely the Acne accessories. The text anchors the images and gives them values, in terms of framing them as e.g. 'wanted' and adding product descriptions that should generate self-expressive and emotional benefits, thus avoiding the 'product attribution fixation trap' by Aaker (2002).

The 'text-image relationship' of the two posts shows a structured way of communicating their posts as they make use of a general structure. The relationship between the images and the text can be considered an anchorage relationship, as one would not be able to derive the text messages without the image and the other way around.

The status update: *'Acne Studios Wall Street is an example of classic fit suiting. Shoulders and body is structured and waist is accenturated by its slanted side pockets. Explore the Wall Street Suiting Collection – http://bit.ly/OnqgBR',* shows a product description in line with the image. It seems declarative and informative, but in a subtle way seeking to induce an action to enter Acne's website and explore the product. The words 'Acne Studios Wall Street' combined with the word classic arguably indicate that this product is an icon in the eyes of Acne.

'The new skin 5 │Acne Studios Denim Guide Explore Women's jeans │ Chat about Denim with Acne Client Services – http://bit.ly/S1LbYz'. The core focus in this status update is the invite to live chat with Acne client services. Chat is characterised as being a synchronous and mediated communication type, which means that the social presence and media richness is higher than

regular Facebook communication, and in this way they seek to break the standard use of Facebook. The barrier for this is specific opening hours, which Acne has dictated. This draws parallels to Kapferer and Bastien's (2012) anti-law 'dominate the client'. By integrating 'chat' on the Facebook brand page shows that Acne makes use of the interactivity social media platforms allows, however the actual chat session is on Acne's website. One of the challenges facing Acne in this situation is the control of the conversations. However, Acne has guided the communication in a direction by appointing the chat subject to be 'about denim'.

4.3.5 Acne's use of Facebook

Acne's use of Facebook is centred on products whether it is in terms of the Acne Paper, the Lord Snowdon collaboration or the actual products from their e-shop. A degree of linkage between products and brand identity can be used in brand management to create brand values and product awareness.

The collaborations and the Acne paper contribute with other values to the brand, than the product-focus. E.g. in terms of the Lord Snowdon collaboration Acne borrows values from the world of arts and merges it into the Acne brand. The elements that they borrow arguably require specific knowledge to understand, and in this sense Acne creates connections to the creative class and luxury consumers. Aconis (2012) states that heritage or not, the aim for a luxury brand is to prove the luxuriousness. Kapferer and Bastien (2012) agree saying that it is not a hindrance for a luxury brand to lack heritage. Where heritage brands can use their strong legacy and heritage, non-heritage brand should prove their luxuriousness in other ways e.g. through products, collaborations or brand awareness. Thus, by borrowing heritage and art from others Acne arguably seeks to elevate the brand above the mass-market brands, and create connotations to luxury characteristics.

In regards to the textual level at Acne's Facebook brand page it is apparent that they have a structure that is mainly informative and declarative. This does not invite the user to engage as such, but as stated earlier Acne is not looking for hordes of customers, as this would ruin the

service experience. Moreover, Bøilerehauge (2012) says that if a luxury brand gets too chatty they cannot preserve the core values of the elevated identity.

The words 'view', 'explore' and 'chat' is used on a regular basis in their product posts. This invites the consumer to explore the Acne brand universe. Moreover, Acne has chosen to build their online strategy with a central focus to their website, which is seen from the continuous linkage to their website. On the other hand the focus on their website could be regarded as challenge as Thomsen (2012) believes that websites are dead. However, the situation in this regard might change for Acne when and if it will be possible to sell directly on Facebook.

The images are not produced specifically for Acne's Facebook brand page, but are arguably excerpts from the Acne Paper and their website. Acne uses Facebook to link to other material, such as traditional media and their website. Thereby one might say that Acne is not making full use of the potential Facebook has. Their actions one might argue come across as a copy paste function i.e. 'what can we use on Facebook' and not 'what can we produce for Facebook'. From a social media viewpoint it could have created credibility if Acne had produced material for Facebook. Thus, Acne's social media use in terms of engagement strategies and user integration can arguably be heightened. The exploitation of social media and Facebook bears stronger potentials for example if they exploit the self-presentation and self-disclosure that Facebook allows for. Kaplan and Haenlein (2010) state that this will reinforce the relations between the user and the brand. Self-disclosure may lead to PSI, which can function as a catalyst of WOM in the hunt of loyal and engaged users i.e. two-way communication at its best. A way to do this could be by telling the product story of e.g. the 'Acne Studios Wall Street´ suit's way from sketch to shop using images or videos.

One might say that the core challenge for Acne is to use Facebook to create insights into the brand universe without losing its exclusive values. Aconis states that it is about integrating Facebook in the brand, and not integrating the brand on Facebook, thus being on social media on the brand's premises (Aconis 2012). However, this requires careful consideration and

thorough control over the luxury brand identity, which for example the brand identity prism can provide.

4.4 'Marni at H&M'
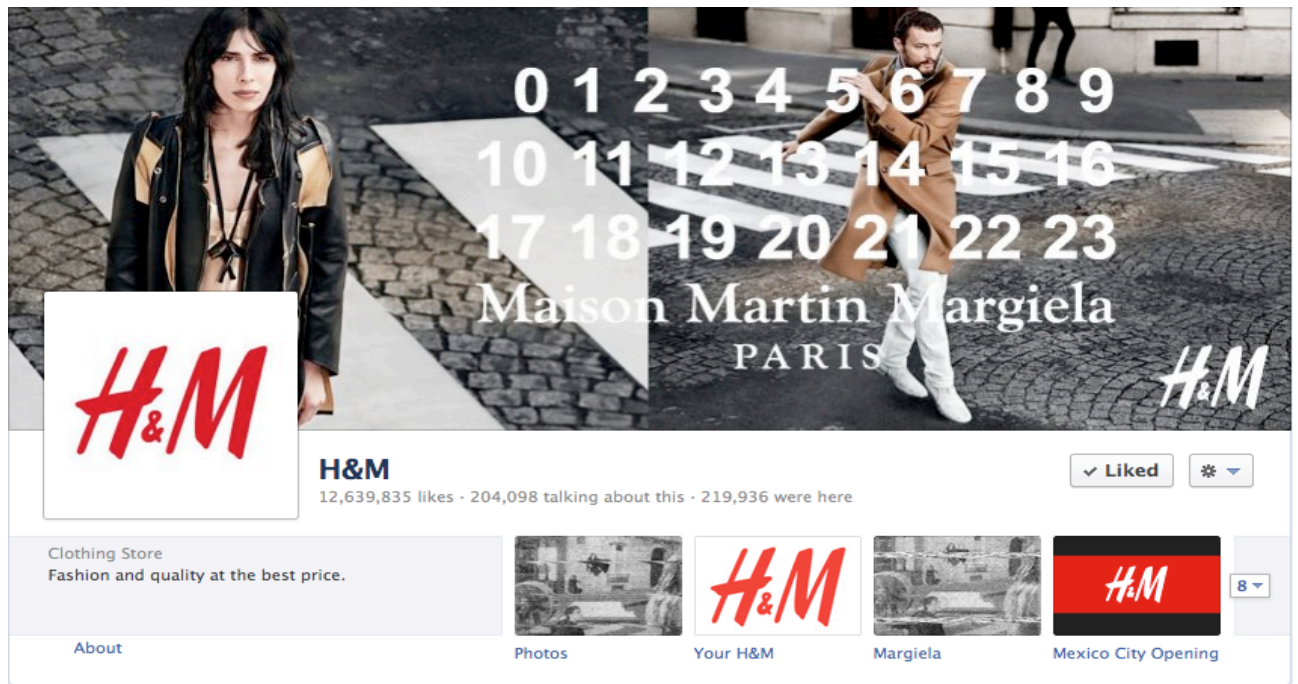
H&M's Facebook brand page cover[60]

Extract of the 'Marni at H&M' photo album on H&M's Facebook brand page.[61]

The Swedish clothing giant H&M has 12,6 million likes on their Facebook brand page Facebook. The brand's business concept is to bring *'Fashion and quality at the best price.'[62]*.

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[60] http://www.facebook.com/hm?fref=ts
[61] http://www.facebook.com/hm?fref=ts
[62] http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM.html

As an introduction to the semiotic analysis we will start out with a case description. The semiotic analysis of 'Marni at H&M's campaign video from H&M's Facebook brand page will be analysed according to Barthes' semiotics. By making an in-depth visual analysis we seek to create understanding of 'Marni at H&M's communication on Facebook.

4.4.1 'Marni at H&M' - case description

The high-street chain Hennes & Mauritz (H&M) was founded in 1947 in Sweden, and has over the last 65 years expanded the product range, which now includes accessories, shoes, cosmetics, interior textiles and apparel for women, men and children[63].

Since 2004 H&M has made several limited masstige collaborations with luxury brands and iconic personalities, such as Lanvin and Karl Lagerfeld. In March 2012 the masstige collaboration 'Marni at H&M'.

Marni is an Italian luxury brand founded in 1994 by Consuelo Castiglioni. It is known for its eclectic design, quirky patterns and colourful prints[64]. Consuelo Castiglioni connects words such as dream and magic to the 'Marni at H&M' collection. Sofia Coppola, the director of the campaign film, noted that she sought to incorporate the mood in the film, namely the fantasy and fun of the collection[65].

H&M states that: *"The designer collaborations boost the H&M brand by creating buzz and making the basic business concept of fashion and quality at the best price clearer to customers."*[66] The high-end collaborations at cheaper prices go hand in hand with their overall

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[63] http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM/People-and-History/Our-History.html
[64] http://nymag.com/fashion/fashionshows/designers/bios/marni/
[65] http://about.hm.com/content/hm/NewsroomSection/en/NewsRoom/NewsroomDetails/The-launch-of-Marni-at-HM.html
[66] http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM/Brands-and-Collections/HM-Group/The-HM-Brand.html

democratic approach: *"H&M appeals to the wide public and everyone should feel comfortable to step in and discover the stores, whatever their background."* [67].

The masstige collaborations have been profiled on H&M's Facebook brand page through textual information, images, and videos.

4.4.2 'To be' – semiotic analysis

Screenshot from the campaign film for 'Marni at H&M' [68]

The 'trick effects' in above image are a denotation of a woman wearing a patterned dress and pieces of jewellery. The necklace shaped as flowers and the significant patterned dress might create connotations to something exotic and colourful. Further the pattern in the dress bears connotations to Marni's own characteristic design. This can be characterised as the semiotic grammar of the brand according to the brand identity prism by Kapferer and Bastien (2012).

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[67] http://about.hm.com/content/hm/AboutSection/en/About/Facts-About-HM/Brands-and-Collections/HM-Group/The-HM-Brand.html
[68] http://www.youtube.com/watch?v=72cYzEmiSk8

One might say that the semiotic grammar allows Marni to dominate using the channels of H&M and their accessibility.

The 'pose' of the image shows a woman, who is casually sweeping her hand on the wall. This gesture could signify that she is not in a hurry i.e. she has all the time in the world. One might say it draws parallels to Veblen's theory of the leisure class and how it is important to put wealth into evidence to show an upper status (Veblen 1953). Below three images from the film support this point by arguably creating a relaxed leisure mood.

Screenshots from the campaign film for 'Marni at H&M'[69]

The 'objects' of the image have denotations of a balcony, palm trees and birds in the sky. The red balcony may connotate elevation, and the colour red could be said to create warm and emotional connotations. The palm trees supports the warm feeling the connotation of the balcony was signifying as they create connotations to a warmer climate and further could be associated with vacation and leisure. The birds in the sky one might say function as an object that connotes freedom. One might argue that the freedom and leisure connotations refer to the world of luxury in terms of having the means of not only doing but 'being' i.e. time is money. From a luxury brand management perspective the above connotations and values might reflect the self-expressive and emotional benefits the consumer may find attractive in the 'Marni at H&M' collection.

In terms of the 'aestheticism' of the image it seems to borrow from the world of fairytales, as connotations can be made to an Arabic country considering the palm trees, the red balcony, the architectural dimensions of the buildings, and the oriental references in the exotic patterns of the dress. Having established that the image has some connotations to a more exotic culture

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[69] http://www.youtube.com/watch?v=72cYzEmiSk8

it is noteworthy that the film was shot in Morocco[70], which underlines the intentions of these connotations.

The 'syntax' of the image arguably leaves the viewer with an understanding of a beautiful well-dressed woman in a Moroccan house. The woman seem to have time to reflect and 'to be', which arguably creates connotations to leisure. 'Marni at H&M' seeks to reflect emotional values through gestures and the colour scheme. The self-expressive benefit the video poses is the possibility of elevation. The techniques used to film the woman on the balcony having an overview of the landscape and the fact that she takes the stairs down to socialise with a crowd reinforces the elevation. The elevation arguably links to the superior characteristics of a luxury brand mentioned by Kapferer and Bastien (2012). In this sense she becomes a symbol of the luxury brand in the image and throughout the video. One might go as far to say that considering the aestheticism of the image referring to the world of fairytales that she is the princess of the castle, which goes hand in hand with the luxury brand connotations mentioned by Bøilerehauge: *"It is more exposed at something difficult to get, remote, unattached, a little bit like a royalty. You may compare a luxury brand to a royal person."* (Bøilerehauge 2012).

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[70] http://www.youtube.com/watch?v=A7x4pCMRVQw&feature=youtu.be

4.4.3 'Love' – semiotic analysis

Screenshot from the campaign film for 'Marni at H&M'[71]

The 'trick effect' in this image is a denotation of a man sitting next to two women. One of the women sitting next to the man looks at him with intriguing eyes as if she tries to get his attention. The woman from above analysed image has just entered the room and their eyes meet. The man's smile and eye contact. One might say that more than one woman is interested. Arguably it connotes how more than one woman is interested in the collaboration 'Marni at H&M'. The eye contact and his smile could be considered a trick effect that could connote the availability of the 'Marni at H&M' collection. Aconis says that today's luxury is characterised by its accessibility whereas traditional luxury could be perceived as closed clubs (Aconis 2012). Bøilerehauge states that the degree of availability is one the parameters that determines the luxuriousness of a luxury brand, e.g. a limited edition (Bøilerehauge 2012). Appadurai supports this viewpoint stating that complexity of acquisition and scarcity is relevant for luxury (Appadurai 1986), which is in line with the anti-laws 'make it difficult for clients to buy' and 'do not sell' (Kapferer&Bastien 2012). Thus, the collection is luxurious as it is limited in

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[71] http://www.youtube.com/watch?v=72cYzEmiSk8

terms of quantity and sales points for H&M and its clients' standards. On the other hand, H&M as a sales- and communication channel makes the collection democratic.

The 'pose' of the image emphasises the trick effects because the man being the 'wanted' is positioned among more than one woman i.e. not being for the 'few' though attractive. As this image is a part of the video for 'Marni at H&M' the connotator aestheticism is the same as previously mentioned.

The 'syntax' of the image might be this potential love affair between the man and the woman i.e. the consumer and Marni. The smile and the eye contact as mentioned holds a meaning of availability, which are the function H&M brings into the collaboration. The video could be regarded to consist a semiotic virtuosity (Appadurai 1986), because it arguably holds different levels of understanding because the video portrays the actual product, but also makes use of the luxury codes, which we try to decode through the use of relevant connotators by Barthes (1979).

4.4.4 'Marni at H&M'- semiotic analysis

Screenshot from the campaign film for 'Marni at H&M'[72]

The denoted 'trick effect' in this image is arguably the headline *'Marni at H&M'*. The textual font is the original font of both brands logos, which connotes the merge and synergy between Marni and H&M while staying true to individual brand values. In this way the communication glitch 'fantasised identity' (Kapferer 2008) seems to be avoided, because the focus is on merging values to offer something different.

The 'text-image relationship' in this image is of interest. The text in the top anchors the meaning of the image. The word 'at' connects Marni and H&M. One might state that other words that could have been used was 'for' or 'and', but the word 'at' says something about the sales point of the Marni clothes. One might say that Marni takes the role as a luxury brand with the word 'at' by positioning itself as superior, as stated by Kapferer and Bastien (2012).

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[72] http://www.youtube.com/watch?v=72cYzEmiSk8

The 'object' in this image is the water. It creates connotations to the unknown of what is underneath the surface, intriguing the consumer to come and see what the 'Marni at H&M' collaboration offers. Additionally this supports the function of the video as being a teaser and explanation of the collaboration. Additionally, water could be said to connote leisure time and hedonism. These connotations were also referred to in our semiotic analysis of the first image of the video.

The 'syntax' of this image is how H&M is a channel of bringing luxury to the masses. This is in line with their core strategy of bringing fashion and quality at best price. The mystery and the exotic values are emphasized throughout the video, which reflects what the user can expect from the universe 'Marni at H&M'. Arguably this should awake an interest in the consumer to explore the collection.

Freedom, hedonism, royalty, leisure, mystery and the dream factor are central connotations in the campaign film for the masstige collaboration between the luxury brand Marni and the high street brand H&M. The elements reflect a temporary brand identity prism (Kapferer&Bastien 2012), created between Marni and H&M. They are borrowing from each other's brand values. Marni fuses its luxurious DNA into H&M, which in return offers a democratised appeal and large audience on Facebook. The core focus on intangible elements ensures that the 'Marni at H&M' collection does not get caught in the product attribution fixation trap (Aaker 2002).

4.4.5 'Marni at H&M''s use of Facebook

H&M shared content in relation to the overall 'Marni at H&M' campaign twenty times from December 2011 to March 2012. The posts included everything from videos, events photos, photo albums, contests, sales locations, and posts requesting the users to share what they bought from the collection. Additionally, there were twelve shared posts on H&M's Facebook brand page from other sources, ranging from private persons, bloggers, and magazines. The campaign film was posted two times on Facebook during the campaign period, and was

mentioned in several status updates, encouraging users to watch it. One might say that it does not show a lot of activity, however the video has been seen many times.

The two images below depict the different ways in which the 'Marni at H&M' campaign was promoted.
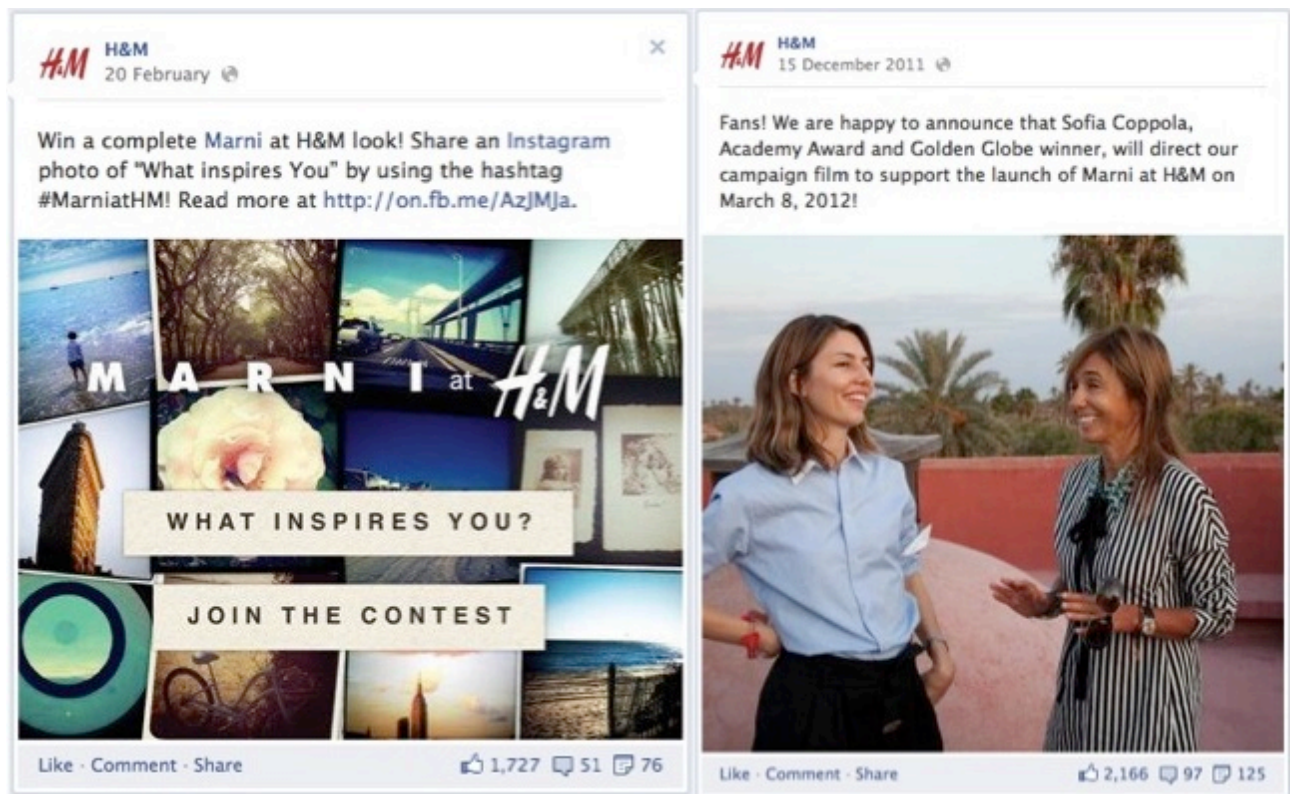
Two images from H&M's Facebook brand page in relation to the 'Marni at H&M' campaign[73]

In the first image H&M asks the users '*what inspires you?'*. 'Marni at H&M' arguably tries to integrate two-way communication into their Facebook post, and in this way seek to create dialogue by using an interrogative sentence structure. At the same time one might say that 'Marni at H&M' covers the user needs for feeling connected and belonging (Porter et al. 2011, Wave 6 2012, Singh et al. 2012), i.e. they invite them into the 'Marni at H&M' community. Noteworthy is also that the collaboration is being communicated through three social media communities namely Instagram, YouTube and Facebook, showing interfunctionality and media alignment.

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[73] *http://www.facebook.com/hm?fref=ts*

In the other image 'Marni at H&M' announces: *'Sofia Coppola, Academy Award and Golden Globe winner, will direct our campaign film'.* Through this announcement 'Marni at H&M' arguably 'cultivate closeness to the arts for initiates' and employs a 'star' (Kapferer&Bastien 2012), which will be dealt with in our further analysis.

5.0 The online luxury brand – analysis and findings

'The online luxury brand – an analysis of findings' will function as the main analysis from where we will look into if Facebook can be a favourable platform for conveying luxury brand identity, creating luxurious brand user relationships, and product awareness for luxury brands.

During the analysis we will provide challenges that sum up analytical findings and function as a way for us to narrow down our realm of understanding of luxury brands on Facebook. We will draw upon the theoretical framework, the data collection, and our findings from the semiotic analysis.

5.1 Creating an online luxury brand identity

Creating an online luxury brand identity that is coherent with the offline luxury brand identity can be difficult as social media to a large extent deals with luxury brand identity on new terms. The semiotic analyses are highlighting some of the potential pitfalls and opportunities by visually and textually communicating in the universe of Facebook. Luxury brands seem to fail in delivering the same brand consistency online as they do offline. Thomsen (2012) believes that one of the bigger mistakes is to regard social media platforms as merely a technology, which rules out the social value e.g. WOM, self-expressive and emotional benefits, which the platform holds in itself.

In the following we will look into the whether Facebook can be a favourable social media platform for luxury brands to create brand identity, by analysing the challenges of being online,

navigating in a neutral media, how Facebook can extend the luxury brand experience, and finally potential ways for luxury brands of communicating online. During the analysis we will make use of empirical finding i.e. examples from a variety of luxury brands on Facebook and our semiotic analysis that includes our four case studies.

5.1.1 Taking luxury brands online

For many luxury brands it has been a hesitant process getting online and on Facebook. 'It's bulls' a statement by the CEO of Prada might be a symptom or an attitude that could signify the difficulties for luxury brands within the fashion industry to embrace social media. One could argue that the hesitation is based on the sometimes conflicting nature of social media and luxury brands. Aconis states that it is not a question of whether being online or not: *"…the question is not really…if you should use social media or not, the question is how should one use social media and obviously that is the question that luxury brands should ask themselves as well."* (Aconis 2012). He further argues that there is an increasing tendency of Facebook becoming the primary search engine (Aconis 2012), and this could underline the increasing importance of Facebook and the potential benefits luxury brands could experience being on Facebook. Thomsen supports this stating that for any brand it is a must to be online (Thomsen 2012). Thus one could argue that it is not a question of 'whether' but a question of 'how'. Bøilerehauge disagrees with the fact that luxury brands should unconditionally be on Facebook. She questions the relevance by arguing that the presence should be contingent on whether a luxury brand's consumers are online (Bøilerehauge 2012). However, Okonkwo says that luxury consumers are online, which is supported by research made by Unity Marketing that establishes that three-quarters of affluents have social networking profiles.

Therefore one should take the following challenge into consideration when taking a luxury brand online:

- Determine what kind of social media presence fits the luxury brand in order to avoid being put to rest at Facebook's graveyard of inactive brand pages

Facebook being the largest two-way communications platform and one out of eight minutes spent on the Internet (Galloway 2011) is spent on Facebook speaks in favour of the social media platform and emphasises that it might be unwise for luxury brands to ignore Facebook. Thomsen (2012) states that being present without any interactions will put the brand at rest at Facebook's graveyard – just a gravestone without any sign of life or interaction.

5.1.2 Neutrality and positioning

One might argue that Facebook tears down the barriers luxury used to have by democratising the media landscape. What happens to a luxury brand when they are forced to differentiate? Kapferer and Bastien's anti-law number one believes positioning is not for luxury brands, as these should always stay superlative.

Skjold and Aconis underline the neutrality of Facebook (Skjold 2012, Aconis 2012). There are no gatekeepers to 'rub off' on, as there is when Burberry or Prada place an advertisement in Vogue or Vanity Fair, right next to the advertisement of Versace (Aconis 2012). In this sense luxury brands stand on their own in terms of sustaining and maintaining a luxurious brand identity on Facebook. As Aconis states: *"…Facebook in itself does not lend any exclusivity to the brand. It lends a lot of energy, a lot of freshness, a lot of youth and a lot of currentness."* (Aconis 2012), and therefore the challenge is arguably to make Facebook relevant for the luxury brand (Aconis 2012). As Thomsen (2012) states Facebook needs to be an integrated element in the overall communication strategy and not just be regarded as a technology that only needs presence. Many larger and famous brands experience a large amount of likes merely by being present on Facebook (Thomsen 2012, Aconis 2012), and it may seem as if Facebook does not

require any further efforts. Aconis (2012), Bøilerehauge (2012), Thomsen (2012) and Rinaldi (2012) believe that the 'like' should be activated and understood in order to make it a long-term investment for the luxury brand. Therefore, one could argue that presence alone on Facebook will not favour any luxury brand identity like previously mentioned advertisements in Vogue would.

Okonkwo says: *"The Internet provides equal access and space to everyone who wants to be visible."* (Okonkwo 2010: 193). Though as mentioned above some famous luxury brands might receive larger amount of attention in terms of likes than others and may have larger budgets for Facebook advertisements, but Facebook one might say provides equal access and terms for everyone. This marks the low entry barrier and competition from any brand on Facebook. This means that not only are luxury brand entering a neutral media, but one could also argue that they have to position themselves and fight for attention, which seems contradicting to the first anti-law 'forget about 'positioning', luxury is not comparative' by Kapferer and Bastien.

On Facebook luxury brands are side by side with personal brands and mass-market brands. This is arguably not a new thing as such considering physical multi-brand stores selling both Burberry perfumes and toothpaste. However, one might say that the connection between luxury brands and other brands are more easily made on Facebook considering that it only takes a 'click' to go from luxury to mass-market versus going from one store to another. Dana Thomas states that: *"When luxury brands themselves go mass-market…they undermine their well-crafted message. They become an everyday occurrence…"* (Thomas 2007: 432). Thomas (2007) points towards maintaining and sustaining a luxury brand on a medium for the masses. Therefore one might go on to say that luxury brands should understand which communication tools and strategies on Facebook work in favour of the luxury brand identity. Though, one might say that there is not one strategy that works in favour of all luxury brands, and thus luxury brands should create strategies that fit their particular identity in an online media such as Facebook. Aconis argues that luxury brands today have to prove their luxuriousness to a higher degree than earlier due to the general accessibility (Aconis 2012). Aconis moreover frames the core challenge for luxury brands on Facebook: *"…I think it's a challenge for luxury*

brands to actually make Facebook an exclusive experience not just another Facebook experience." (Aconis 2012).

Therefore one should take the following challenges into consideration when navigating within neutrality and positioning:

- View Facebook as more than a new technological media possibility and seek to incorporate social media as an integrated part of the overall communication strategy

- Be careful not to degrade the luxury brand down towards mass-market brands by not communicating and therefore respecting the core luxury values

5.1.3 Facebook as a luxury brand extension

"E-communication is now central for luxury brand building. It can provide everyone with all the necessary brand content, brand stories and brand actuality." (Kapferer&Bastien 2012: 249). Kapferer and Bastien outline what they believe online platforms can do for luxury brands. Facebook can in this sense be considered a platform offering a range of possibilities to prolong the brand experience beyond the borders of traditional communication.

Aconis agrees with Kapferer and Bastien (2012) about that there is an opportunity for luxury brands on Facebook is to create a deeper brand experience online: *"I mean we can only communicate so and so much in a print ad in Vogue... I think on Facebook you can actually communicate a lot more in depth and a lot more complex stories about your brand to the*

people you know want to hear it." (Aconis 2012). Corbellini and Saviolo (2010) support the notion of storytelling, as they believe it is a core characteristic of luxury communication.

The following two sub-sections will look into elements of creating the extended luxury brand experience to communicate deeper and more complex than in traditional media.

5.1.3.1 A luxury brand analysis

Bøilerehauge argues that before going online it is fundamental to make a *"…deep analysis of the brand, of the characteristics of the brand, in order to see how you can unfold that brand in social media."* (Bøilerehauge 2012). One might argue that an analysis of the luxury brand has already been conducted. This could be used as a foundation for an online luxury brand strategy in order to create coherence between the offline and online strategy and avoid the communication glitch fantasised identity by Kapferer.

The brand identity prism (Kapferer&Bastien 2012) can function as a strategic tool to break down a luxury brand and collect it again, analysing it to understand core traits and characteristics in order to create an online strategy and communicate a consistent luxury brand identity online as well as offline. By doing this the 'brand image trap' by Aaker (2002) and Kapferer's (2008) communication glitches can be avoided as focus will be on core characteristics of the luxury brand.

5.1.3.2 Extending the experience

In this section we will analyse ways in which Facebook might function as an extension of the offline luxury brand experience, and at the end sum up the challenges it might pose for a luxury brand.

Kapferer and Bastien state that a luxury brand is first of all a visual that should evoke a desire in the customer: *"love starts with the eyes."* (Kapferer&Bastien 2012: 255). Corbellini and Saviolo (2010) point towards that imaginary is one of the elements when creating a 'coherent system of excellence'. Skjold agrees saying that luxury brands should maintain a strong visual focus to create a mirror image that the consumers can reflect themselves in (Skjold 2012) i.e. what can be referred to as 'the customer reflected image' in the brand identity prism. Arguably, the luxury brand can through the customer reflected image explain what luxury values the users can dream about being a part of. One might say that this leads to the question of how a luxury brand can encode an image with values that signify something from the luxury brand identity.

In our semiotic analysis we tend to see an importance of using images to convey luxury values through codes, whether it is connotations to heritage, a focus on aesthetics and arts, the logo or a symbolic motif of the brand, a brand colour or craftsmanship. The Facebook timeline allows for and encourages the use of images in the communication e.g. through the large cover photo, albums, and space for photos on the timeline itself. Therefore, one might say that Facebook carries some notable advantages considering luxury brands focus on visuals.

The focus on images draws parallels to the traditional media use, which luxury brands arguably have made use of for a long amount of time. Where Facebook differs from traditional media use is through the interactive features offered, such as writing a status update, a story linked to an image, videos and user comments. One might say that by using the interactive features it becomes possible to translate traditional luxury material into Facebook material. Bøilerehauge points out that the material has to be edited to become relevant and luxurious online (Bøilerehauge 2012), and it might not be enough to copy paste a photo from the campaign archive on Facebook, as the users are becoming more savvy and can see through a poor strategy (Thomsen 2012, Aconis 2012). In the semiotic analysis, some of the material came across as less professional because it presumably had not been produced for Facebook. Acne portrayed an example of using some material that had not been edited for Facebook as it seemed to be generated from their website. One might argue that Acne did not extend the Facebook experience, but on the other hand it might not be their intention with using the social

media platform, considering that the posts were informing and with a focus on products, as mentioned in the semiotic analysis of Acne. Acne's images though had a strong semiotic foundation.

As mentioned above, Aconis (2012) points out that Facebook provides the possibility to communicate more in depth and create complex stories about the luxury brand than traditional media allows for, and thereby creating an extended luxury brand experience. However, as seen in the semiotic analysis this 'possibility' poses challenges for luxury brands due to their sometimes conflicting nature with social media. One might say that luxury brands have a hard time implementing interfunctionality because of their long tradition of communicating one-way through traditional communication forms.

In our semiotic analysis, Prada provided examples of Facebook brand page posts that arguably did not communicate the core identity. Posts of particular interest in this regard were the images of celebrities on the red carpet at openings nights, premieres and what have we. One might say that the reason why these posts on their Facebook brand page did not create an extended online Prada experience were due to a lack correspondence between the luxury brand and the celebrities. How to make use of celebrities and their roles on a luxury brands Facebook page will be turned to later. One might say that Prada sought to frame these posts by adding texts to the images with information of: Who is photographed, what event, where does it take place, and when? Arguably the information provided to the users does not favour or promote Prada, as it seems overshadowed by information of who the celebrity is, what event the person is attending, what city and so on. As we established previously, images can be useful to convey core values. It does not seem as if Prada's core values have been conveyed in the celebrity images, as they arguably are images acquired from tabloid agencies. Therefore provided that the text does not say something about Prada and the image does not communicate Prada's values, it does not seem to extend Prada's luxury brand experience on Facebook. What Prada arguably could have done was to seek ways to communicate some of their values like the rich Italian heritage, the innovative spirit and the graphic patterns referring to the world of arts.

Tom Ford provides another example of how a celebrity focus might overshadow the luxury brand values. The image below is the front cover of the magazine 'People', which is a gossip magazine sold weekly in America.

Tom Ford Facebook brand page post portraying front cover of People Magazine[74]

One might argue that the People Magazine's logo and an image of Britney Spears do not correspond well with the luxury brand Tom Ford. People magazine and Britney Spears create connotations to mass-market, which arguably compromises Tom Ford's exclusive appeal. One could say that the user is left with a glossy magazine experience that could have been bought for a few dollars in the nearest newsstand, instead of providing a Tom Ford experience. The brand Tom Ford tries to convey a story about Justin Timberlake wearing a Tom Ford tuxedo at

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[74] http://www.facebook.com/tomford?fref=ts

his wedding. One could argue that this initiative gives a solid PR value. However, through our semiotic analysis we though argue that Facebook should be considered as more than a PR bulletin board. The luxury brand could have considered to prioritise creating own material i.e. Tom Ford taking own photos for Facebook of the wedding or the couple. This would make Tom Ford the communication channel instead of People magazine and could have allowed the luxury brand to communicate on the luxury brand's own terms i.e. 'dominate the client' by Kapferer and Bastien (2012). One could argue that an initiative like this would have created a higher amount of PSI for the luxury brand on Facebook, as it would have been the voice of Tom Ford. In this example one might say People Magazine communicates using Tom Ford's Facebook brand page. Arguably it is relevant who paid for exclusive rights to the wedding. In either way the luxury brand should weigh the pros and cons before posting People Magazine's photos on Facebook to seek an answer to if it provides the extended luxury experience. If the readers of People Magazine and the 'likers' of Tom Ford Facebook brand page are the same it could have been a strong move. This stresses the idea of knowing your Facebook audience, which we will turn to in 'Creating beneficial luxurious relationships on Facebook'.

Aconis (2012) commented on Tom Ford's use of Facebook in his interview: *"You go into the stores, the packaging, the design, the motives, the commercials, everything Tom Ford does is just über exclusive and then you go on his Facebook and it is just absolutely ridiculously pointless. …I think Tom Ford is immensely devaluating their brand."* (Aconis 2012). One could argue that Aconis' experience of the brand could be a symbol of Tom Ford failing to deliver an extended luxury brand experience and moreover create coherence between offline and online luxury brand experience i.e. media plan integration. Skjold refer to an action like this on Facebook as *"… they water down all these core values …"* (Skjold 2012). So arguably when a luxury brand does not communicate core characteristics and values in their online communication they can risk becoming a lower valued imitation of themselves delivered to their Facebook brand page fans - devaluating the dream, the illusion, and the aspirational traits. This kind of communication might create the risk for luxury brands to fall into the brand image trap by Aaker letting Facebook dictate the content instead of the luxury brand dictating what Facebook can do for them, as Aconis (2012) deemed important. Arguably it could be a

challenge for a luxury brand to consider Facebook as more than a mass-media channel that requires mass-media content. Instead as Aconis points out: *"… the challenge is really how to make Facebook a luxury media for your brand."* (Aconis 2012) as he states Facebook by nature is no luxury media (Aconis 2012).

Skjold insinuates that luxury brands without any heritage can have a disadvantage in terms of extending the luxury experience on Facebook: *"…Tom Ford doesn't have ninety years of a library full of styles and drawings and photos. And he has to do something else."* (Skjold 2012). Arguably, there are other possibilities on Facebook besides posting from the image archive. Moreover, it is not enough to have an archive full of photos, it has to be edited (Bøilerehauge 2012). One could argue that not having an archive gives the brand an opportunity to produce one, but one should consider that it could end up making the unfolding of the Facebook experience a bit more expensive. Thomsen (2012) states the importance of creating material for Facebook, as a lack of material and interactions online might send the luxury brand on Facebook's graveyard. Acne is an example of a brand without heritage or an archive dating back many years. Instead Acne borrows heritage and values from people and art and fuses this heritage into their products i.e. collections and the Facebook communication to create a sophisticated online experience that seeks to extend the offline brand experience.

Burberry posts videos on a continuous basis on their Facebook brand page. An example of this is the image of their video post below. This is a 'live' video of Burberry CCO Bailey reporting from the fashion show.

Burberry Facebook brand page post where CCO Bailey reports 'live' from their fashion show[75]

The text connected to the video post describes the content of the video and arguably frames the purpose, by stating that it is the Burberry Prorsum fashion show, the season of the products, and that it is a video taped this morning in front of the show space. The use of video in this case and arguably in general might give a more interactive experience than images because it shows motions and speech, and moreover it could be said to favour the immediate and 'live' nature of Facebook.

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[75] http://www.facebook.com/burberry?fref=ts

The video analysed in the semiotic analysis portraying the new flagship store on 121 Regent Street

In the semiotic analysis we analysed the video shown above about the new flagship store. The video integrated many of Burberry's core characteristics, such as craftsmanship, attention to details and heritage, while using trick effects to e.g. communicate the location of the store. To embrace social media and Facebook Burberry seems to be using special camera techniques that emphasises doors opening and *"… this connotes the actual store opening and arguably creates a welcoming atmosphere, as it seems as if they are opening the doors for 'you'."* as we wrote in the semiotic analysis. This arguably underlines the opportunity of videos, namely to extend the experience and make it user-centred on the premises of Facebook without neglecting the details a luxury brand consists of. Moreover, one could argue that by creating and posting a video on the Facebook brand page that users can see and share, Burberry anticipates potential UGC videos of the new flagship store and in this way seeks to control online content. In both examples Burberry draws attention to offline events and provides an example of media plan integration i.e. how online communication can create awareness of offline activities.

Therefore one should take the following challenges into consideration when making Facebook a luxury brand extension:

- Identify core luxury brand values and use these actively in the communication (visual posts, textual posts, video posts) on Facebook with attention to activity alignment on Facebook

- Explore the possibility of extending the luxury brand experience beyond the limits of traditional media by using Facebook's textual functions and visual imagery making it a fully integrated social media experience

- Avoid making Facebook an online mass-media channel, but try instead to make it a unique luxury brand channel by editing the material and using encoded semiotics

- Seek to create coherence between online and offline communication in order not to devaluate the luxury brand and its status with attention to media plan integration

5.1.4 Luxury communication online

"A luxury brand doesn't necessarily talk to its customers or talk to anybody for that matter. It is more exposed at something difficult to get, remote, unattached, a little bit like a royalty, you may say. You may compare a luxury brand to a royal person… They wave at you, but you can't talk to them. And that's the challenge going on social media for a luxury brand, because then they have to establish some channels for some kind of interaction or dialogue." (Bøilerehauge 2012).

5.1.4.1 The communication on Facebook

One could argue that above quote points to the challenge of creating a luxurious experience online. Bøilerehauge says that a luxury brand do not 'talk' (Bøilerehauge 2012), which one could say reflect a distance pointed out by Kapferer and Bastien: *"Luxury was also used to*

maintain control in the relationship with clients, some would say a distance" (Kapferer&Bastien 2012: 159).

Kapferer and Bastien note that luxury brands are facing a challenge with the accessibility, which Web 2.0 represents (Ibid 2012: 159). However, they also note that it is an opportunity for luxury brands to spread the dream to the many (Ibid 2012: 266). Bearing this in mind Facebook seems as a way of communicating the dream factor considering Facebook's volume of users. Moreover, as Facebook is not an e-commerce channel it will not directly conflict with the anti-laws 'do not sell' and 'just sell marginally on the internet' (Kapferer&Bastien 2012). The question is thus 'what' and 'how' to communicate to maintain a luxury brand identity in an online environment where dialogue and participation are basic elements?

The democratic elements of Facebook seem to conflict with the anti-laws by Kapferer and Bastien, as the main argument behind these is to create social layers. The anti-laws exemplify specific elements in the communication that should separate the dedicated from the non-dedicated. The use of incarnated signs is central to this separation, which Appadurai (1986) points towards with attributes such as 'semiotic virtuosity' and 'specialized knowledge'. Corbellini and Saviolo (2010) describe this as 'exclusive communication' and Skjold notes that if you want exclusivity and maintain the idea of conspicuous consumption then the communication has to be top-down (Skjold 2012). This reflects the anti-law 'dominate the client', which focuses on that the luxury brand should always maintain a higher status than consumers to become the luxury brand consumers dream about (Kapferer&Bastien 2012).

The creation of barriers should be weighed against the nature of Facebook in order to come across as attractive and create make a setting that embrace the users need for connectivity and feel of belonging (Porter et al. 2011). One should not undermine the online users, as they are an element in the value-creation of the online presence. They are the ones deeming a brand in or out in terms of the amount of likes, sharing and commenting online according to Thomsen (2012) and Skjold (2012).

Bøilerhauge states that it is important for luxury brands to preserve its authenticity and core values when communicating online (Bøilerehauge 2012), because of the risk of being 'watered down' (Skjold 2012). One could argue that it emphasises the relevance of conducting a brand analysis as mentioned earlier. Aconis agrees with both Skjold and Bøilerehauge when stating that the challenge is to maintain the tight illusion of perfection in order not to dilute the luxury brand identity (Aconis 2012). However, as mentioned above, it is not enough to merely copy paste material to Facebook: *"…they just have to figure out how to do a copy-paste to new media, because the new media doesn't function in the same way."* (Skjold 2012). I.e. material should be edited for Facebook. Based on our findings it seems as if this is where one of potential gaps for luxury brands connecting with a social media like Facebook. An example is that Prada's use of Facebook holds similarities to a PR-bulletin board. It seems as if none of their material has been created for the platform and is partly taken from the weekly media watch of celebrities wearing Prada. One could argue that this is not glamorous or luxurious communication and is according to Skjold not what people expect: *"They expect the dream."* (Skjold 2012).

Considering the challenges found in the dilemma between neutrality and positioning we argue that a structured approach and seriousness in the communication plan should also account for Facebook. It emphasises the importance of integrating Facebook strategies into the communications department as Thomsen (2012), Crandell (2012), Brennan (2010) and Kaplan and Haenlein (2010) speak in favour of.

In the following sections we have from our data collection determined three dominant ways of communicating the luxury brand values on Facebook. These will be analysed, as they can be considered potential useful elements in the creation of an online communication strategy.

5.1.4.1.1 'Closeness to the arts'

Kapferer and Bastien (2012) state with the anti-law 'cultivate closeness to the arts for initiates' that a luxury brand should function as an educator of taste and cultural matters. Therefore and

because of findings, we will look into this way of communicating the luxury brand values on Facebook

Acne made references to the world of art with the Snowdon Blue collaboration and the clowns from the Acne Paper as seen in the semiotic analysis. The collaboration with Lord Snowdon arguably added an extra layer to their collection and their brand identity – a layer one could argue need insight from the consumer in order to understand its relevance for the luxury brands identity. A trait Appadurai (1986) deems essential when managing luxury brands in order to create exclusivity. Appadurai argues that only some consumers will be able to decode the message behind this collaboration and its connotations to art. In this way, one might say that Acne follows their own belief on Facebook about too many customers will ruin the Acne experience as Schiller from Acne points out.

One might argue that Acne sought to place itself higher on the luxury ladder with the creation of the project Snowdon Blue connotating arts and royal heritage. Acne may not seem luxurious compared to luxury brands positioned higher in the luxury pyramid (Corbellini&Saviolo 2010). This is fortified by Skjold: *"I am not even sure I agree Acne is a luxury brand."* (Skjold 2012). However, drawing connotations to the world of arts Acne makes use of similar communication technique as the lifestyle luxury brand Louis Vuitton.

Louis Vuitton Facebook brand page post about the collaboration with Yayoi Kusama[76]

Arguably the difference between how Acne and Louis Vuitton approach 'closeness to the arts' is how Louis Vuitton has managed to invite the consumer behind the scenes and created a video that vividly explains the artist herself. This move exploits Facebooks interactive potential as well as educating the customer in the collection by stating the artist's signature patterns. Therefore one could say that it extends the offline experience. Providing the user with information fulfils the user need and spurs the brand user relationship (Porter et al. 2011), which could empower the consumer to generate WOM (Sernovitz 2009). As a constructive criticism of the collaboration between Acne and Lord Snowdon one could say that this could have been the next step for Acne i.e. making the collection more user-centric and seek to generate WOM. However, it arguably has to be considered if this fits Acne's Facebook strategy and purpose with being on Facebook.

In sum creating connotations to the world of arts can be used in online luxury brand communication to educate consumers and come across as a cultivated luxury brand i.e. connotations to higher layers of society and reinforce the superlative status of a luxury brand.

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[76] http://www.facebook.com/LouisVuitton?fref=ts

Moreover, it shows how a traditional luxury marketing technique can be translated into Facebook material by using Facebook's functions.

Therefore one should take the following challenges into consideration when communicating 'closeness to the arts':

- Seek to create exclusive communication referring to the world of arts by using semiotic virtues

- Educate the online users in the luxury brand to make them effective worthy luxury brand messengers

5.1.4.1.2 Using celebrities on Facebook

One might say that using celebrities as a means to promote the luxury brand identity is something luxury brands have been doing for many years and we will look at the pros and cons for luxury brands to employ celebrities to communicate their brand identity on Facebook.

Kapferer and Bastien mention the collaboration between Marilyn Monroe and Chanel no. 5 as a classic celebrity and luxury example (Kapferer&Bastien 2012: 263). Men arguably bought this perfume for their women in the hope of injecting a bit of Monroe in her i.e. the dream of Marilyn. Kapferer and Bastien show scepticism towards using celebrities: *"Using stars to promote luxury products is extremely dangerous. A luxury brand is courted by the stars, in the same way as those stars are courted by journalists and paparazzi."* (Kapferer&Bastien 2012: 77).

Based on above notion one could argue that luxury brands should be careful using celebrities as it might create connotations that does not enhance the luxury brand identity, e.g. mass media. Further, one could assume that if it previously has been a danger to employ celebrities due to

the risk of appealing to mass media then using them on Facebook is of high risk. Aconis states that a brand should be careful not to deliver the standards and cover the same needs as mass media (Aconis 2012). Instead the celebrity in question should hold values that benefits and are relevant for the luxury brand (Kapferer&Bastien 2012: 77). Thus, it is a strategic move when using celebrities. Skjold states that alliances between celebrities and luxury brands can be useful if they signify elevation and exclusivity (Skjold 2012). However, Thomsen underlines the importance of translating this tool into Facebook material, as the savvy consumers will spot a vague strategy (Thomsen 2012). Arguably the transparency and interfunctionality on Facebook easier shows brand flaws and requires stronger arguments for employing celebrities. So how does the use of celebrities for luxury brands and Facebook comply with each other?

The brand Tom Ford arguably signifies values such as old glamorous Hollywood and English aristocratic countryside, though as we saw in previous example they arguably did not deliver these values in their Facebook communication. One could argue that the brand could have created connotations to these values on its Facebook brand page instead of focusing on a diverse range of celebrities[77], and in this way create coherence between offline and online communication and use celebrities to enhance the luxury brand identity. Aconis suggests that the luxury brand Tom Ford could have made Tom Ford the person a central aspect of the communication showing what kind of exhibitions he likes, movies and general inspiration in order to get a piece of Tom Ford (Aconis 2012), like Bailey for Burberry. Another example for Tom Ford to portray some of the values the luxury brand holds, could be to create a campaign photographing old glamorous Hollywood movie stars, like Joan Collins, in their mansions, swimming pools and tennis courts. One could argue that both suggestions would favour a more personal angle and thereby the nature of Facebook. On top of the potential strategies one might consider the reasons behind a strategy. Is the strategy favouring the brand identity? Is the strategy favouring PR? Is the Facebook strategy dependent on one employee or is it implemented in the communication department as an element to be developed and managed? Is the creation of a strategy and the tasks that follow, sustaining the strategy prioritised in terms of time and funds? We will not be able to answer these questions in this thesis as it

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[77] http://www.facebook.com/tomford?fref=ts

would require internal organisational knowledge, but one might say that they are worth reflecting upon when drawing up a communication strategy for Facebook, in order not to set the luxury up for failure. The tech-savvy user arguably will spot a vague strategy (Thomsen 2012, Okonkwo 2010). This draws attention to Crandell's (2012) advice of 'integrate social into the flow of work' and Armano's quote *"Social is a layer that needs to be woven into the fabric of the organization."* (Crandell 2012).

When Burberry makes use of celebrities on Facebook it comes across as being an integrated part of their luxury brand strategy as seen in the semiotic analysis, because they make use of celebrities in the campaigns both offline and online i.e. edited and produced by Burberry for Burberry. From our netnographical findings Burberry have not made use of red-carpet celebrity images on their Facebook brand page in contrast to the examples of Prada and Tom Ford. Thomsen (2012) says that there is a great power in combining offline and online media, and in this sense he backs up Burberry's communication strategy in terms of combining offline and online material. The use of celebrities is controlled by Burberry in their way of casting stars that are only of British origin and belong to the creative or aristocratic class. Burberry emphasises this in their online textual communication e.g. British actress Gabriella Wilde and British art dealer Harry Scrymgeour as seen in the semiotic analysis of Burberry. One could argue that this control of celebrities is a means to reinforce Burberry's values i.e. British heritage, innovative, and young versus old. Additionally, Burberry uses Bailey, who arguably is a celebrity in the world of fashion, but also Burberry's CCO. Burberry adds personality to the luxury brand by using Bailey and in this sense might allow a more intimate relationship between brand and user e.g. by letting Bailey be the sender of a note to the fans. Moreover, one could argue that by using certain celebrities they can function as a way to put a face on a product and a brand. Arguably this is in line with Facebook, which is about self-presentation and self-disclosure and therefore putting a 'face' on Facebook in the communication can function as a personified verification of a brand. Aconis believes that Tom Ford could benefit from a similar strategic move on Facebook (Aconis 2012).

Louis Vuitton has over time created an advertising concept 'a journey', which depicts the core original product 'trunks', which is given a lot of emotional value by stating that a journey is more than a trip, more than a vacation, where will life take you and so on[78]. Louis Vuitton incorporates celebrities and cultural icons starring in these campaign videos and images, e.g. Francis Ford Coppola, Sofia Coppola, Sean Connery, Angelina Jolie, Will Pharrell and latest Muhammed Ali. Louis Vuitton brand dominates the communication in these campaigns, because the purpose is to show how Louis Vuitton products are natural elements of a journey.

In below image Louis Vuitton's latest campaign with Muhammed Ali can be seen. The video applauds the former boxer, who arguably is considered an icon by many today. Moreover, the theme of the video is 'the dream', which corresponds to the aspect of dreams in luxury brand communication (Kapferer&Bastien 2012, Corbellini&Saviolo 2010). The video portray Ali's journey from being ordinary to a world champion. One could argue that Louis Vuitton taps into Muhammed Ali's values and translate them into their luxury brand universe 'the journey'.

Three images from the Muhammed Ali and Louis Vuitton 'journey' video on Facebook[79]

The text to this Facebook video post says: *"Get ready for round Two of The Greatest Word, the Louis Vuitton digital experience honoring Muhammed Ali, with the participation of calligrapher Niels Shoe Meulman and word artist Yaslin Bey."[80],* and arguably creates references to the world of arts by stressing the use of a calligrapher and a word artist, which according to Kapferer and Bastien makes sense for a luxury brand due to its closeness to the arts and being a promoter of taste (Kapferer&Bastien 2012). This seems to add an extra layer to the celebrity use, by employing the previously mentioned strategy about art. One might say that this

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[78] http://www.youtube.com/watch?v=m5xCGZuvhWI
[79] http://www.facebook.com/LouisVuitton?fref=ts
[80] http://www.facebook.com/LouisVuitton?fref=ts

combination of celebrity and art use functions as an example of the possibilities Aconis refers to: *" … on Facebook you can actually communicate a lot more in depth and a lot more complex stories about your brands to the people you know want to hear it."* (Aconis 2012).

'Marni at H&M' provides another example of using celebrities on Facebook. H&M is not categorised as a luxury brand in itself, but one could say that the brand manages to create strong luxury connotations through its masstige collaborations e.g. with Marni. In the semiotic analysis we focused on how and through which means H&M created luxury communication on Facebook via the campaign. One of these means was when H&M announced that *'Academy Award and Golden Globe winner'* Sofia Coppola would be the director of the campaign film for 'Marni at H&M'. This use of Coppola in the campaign make use of, one could argue, a so-called celebrity simultaneously creates closeness to the arts, as also seen in the Louis Vuitton example above.

 It seems as if the equal space Facebook offers has allowed lower layers to position themselves side by side with traditional luxury brands. This could be substantiated by the 'Marni at H&M' case, where we in the semiotic analysis and above, argue that through the use of connotations 'Marni at H&M' manages to communicate complexity i.e. by using both arts and celebrities. One might say that by communicating in this way, 'Marni at H&M' use similar communication techniques as high-end luxury brands and thereby positions themselves closer to higher layers in the luxury pyramid (Corbellini&Saviolo 2010). This assumption might position 'Marni at H&M' and other masstige collaborations as competitors in the field of online luxury branding. Not only can one argue that a setting such as Facebook questions the layers of the luxury pyramid (Corbellinni&Saviolo 2010), but also challenges the first anti-law 'forget about 'positioning', luxury is not comparative' (Kapferer&Bastien 2012), as the entry barrier to Facebook is low, which means that brands communicate on equal terms. At least one could argue that being on Facebook makes a luxury brand comparable and therefore positioning of a luxury brand and its identity more important than ever.

The strategic use of celebrities can create connotations that supports or devalues the luxury brand as seen above. Noteworthy is that the transparency of Facebook arguably demand tight control in the use of celebrities in order to meet the challenge of creating relevant connotations to promote luxury brand identity and values and communicate exclusivity and elevation. The examples seem to show that the anti-law 'keep stars out of your advertising' have useful considerations for luxury brands on Facebook.

Therefore one should take the following challenges into consideration when using celebrities on Facebook:

- Seek a balanced and strategical use of celebrities to enhance the luxury brand identity and experience without overshadowing the brand's identity or compromising the brand values

- Try to align celebrity use online with the luxury brand identity in order to meet the transparency of Facebook

- Explore the possibility of using celebrities to simultaneously communicate both broader and more in-depth brand stories with the objective of making users feel more connected to the luxury brand

5.1.4.1.3 Inviting the user backstage

The last way of communicating the luxury brand values on Facebook, which has shown dominance in our empirical findings, is 'inviting the user backstage'. We will look into how this can be done in a way that favours the luxury brand identity and meets the premises of Facebook.

Thomsen states that integrating the users a step earlier than in traditional media and allow them to feel ownership in the luxury brand can be a tool for thinking social and create success on Facebook (Thomsen 2012). On the other hand luxury brands are by nature inaccessible, elevated and exclusive (Bøilerehauge 2012, Skjold 2012). Aconis states that today luxury brands need to prove their luxuriousness to a higher degree because of the accessibility they are exposed to (Aconis 2012), which presumably can be traced back to the changing luxury landscape and social media characteristics, i.e. Facebook. In the light of this change one might say that the growth tradeoff 'exclusivity versus accessibility' (Keller 2008) is increasingly important for luxury brands to balance in the social media environment.

Arguably, integrating the users a step earlier than in traditional media (Thomsen 2012) can be by inviting them backstage. One example of how Burberry invited the users behind the scenes can be seen in below image, which was also analysed in our semiotic analysis of Burberry.

An example of Burberry inviting the user backstage – this image was analysed in the semiotic analysis

Key finding was that Burberry had orchestrated a high amount of self-disclosure in terms of disclosing the efforts that lie behind a campaign. One could say an extra campaign for the campaign added an extended experience that a 'normal' offline campaign would not offer. By adding additional layers to the online experience one might argue show an understanding of the self-disclosure Facebook allows for. Arguably, when creating self-disclosure on Facebook

luxury brands should balance 'exclusivity versus accessibility' (Keller 2008), in order to weigh the amount of information that should be disclosed to portray the image that the luxury brand wants to communicate, i.e. the Facebook strategy. So therefore, some Facebook brand posts may weigh accessibility higher than exclusivity, and some the other way around depending on the strategy and purpose of the post.

Burberry exploits the functions of Facebook to invite the user backstage. Arguably Facebook generates the luxury brand image i.e. the front stage, so inviting backstage on Facebook may seem even more intimate and exclusive if staged and aligned with the luxury brand identity. One might say that it is a 'staged illusion of intimacy' which reinforces what Bøilerehauge (2012) states about luxury brands not talking but only waves at you, in order to maintain the tightly controlled illusion of perfection mentioned by Aconis (2012), i.e. reinforcing the exclusivity in an accessible environment.

One might say that what Burberry communicates in the images is the craftsmanship behind the luxury brand, e.g. in terms of cameras, the lightning, and the people working, i.e. human labour. Skjold believes that human labour in the product is important in order to label something as a luxury product (Skjold 2012). Kapferer and Bastien (2012) state that creating awareness of the manual work and the artisans creating the product is an important aspect of communicating luxury, as it draws attention to the symbolism of craftsmanship in the luxury brand (Kapferer&Bastien 2012: 274). Therefore, one might say based on this Burberry example that the craftsmanship of a luxury brand can be a potent way of communicating the luxury brand identity.

In above example it seems as Burberry edited the material for Facebook, which Bøilerehauge deems important (2012). One could state that providing material is meeting a basic online user need for information, but editing and controlling images will ensure that the luxury brand message being shared is the right one, i.e. reflecting the luxury brand identity. Considering that information and rumours quickly spread on the Internet without being captured by the journalistic filter (Schneiderman 2011), creating edited material worth spreading would

arguably control the out-of-control issue to some extent. This might approach the challenge of not having a journalistic filter online, to which Skjold (2012) and Rinaldi (2012) proposes hiring an online editor to implement as a filter. *"If you want a gatekeeper then you need an editor function, because otherwise the power relation will be turned upside down, and that's not what people expect from a luxury brand. They expect the dream."* (Skjold 2012)

This way of communicating is highly compatible with the thoughts by Goffman mentioned in our methodology. He states that front stage is reflecting the social self and the image we would like to portray the social environment. Backstage on the other hand is where the emotional self is found, what is hidden to maintain a certain identity. Thus, when Burberry invites consumers backstage the purpose is to presumably show what it takes to create a luxury brand and moreover to generate intimate or in Goffman's words emotional relationships with consumers. Consumers are integrated a step earlier in the process, which then might create a deeper attachment between the brand and the consumer (Thomsen 2012).

Thus, inviting the online user 'backstage' can be regarded as way of educating the consumer in the luxury brand through complex stories, which Aconis (2012) deems to be a benefit for luxury brands on Facebook. Arguably, the opportunity of this communication tool is to prove the luxuriousness through portraying the values of the luxury brand, such as craftsmanship. The challenge is to create material that reflects the luxury brand identity and thereby controls the image online in order to exploit the possibility of making online users worthy brand messengers.

Therefore one should take the following challenge into consideration when inviting the users backstage:

> - Explore the possibility of proving your luxuriousness by creating edited and controlled backstage stories making the users aware of the elements it takes for a luxury brand to be luxurious

As overall challenges to take into consideration when communicating luxury online (including 'Closeness to arts', Using celebrities on Facebook, and Inviting the user backstage):

- Core luxury brand values should function as the basis of the Facebook communication strategy in order to create consistency between the offline and online luxury brand identity, i.e. media plan integration

- Seek to use communication tools, such as celebrities, arts, or backstage, strategically to create an online hand-crafted luxury brand experience on Facebook that enhances the luxury brand identity and creates an extended experience and story that educates the consumers in the luxury brand

- Try to simulate dialogue between user and brand on Facebook by using a top-down communication form as a luxury brand mostly 'communicates' and rarely 'talks'.

- Consider implementing a journalistic filter e.g. by hiring an online editor to make Facebook a luxury channel with a high communication quality experience

Above sections show potential pitfalls for luxury brands when conveying their brand identity on Facebook. One might say that these challenges also signify some opportunities, as there seems to be a vast amount of strategic tools that luxury brands can benefit from in the process of conveying their luxury brand identity on Facebook to the users. The examples have been used to explore and explain the Facebook culture among luxury brands today. The examples point in the direction of cases that arguably could have been optimised and cases that seems to benefit the brand identity.

Arguably, a fundamental problem is what Aconis stresses: *"… they look at Facebook, look at the culture, and then they try to integrate into that culture instead of saying how do I integrate their culture into my brand?"* (Aconis 2012) and this one could argue leads the focus back to the

start of the luxury brand identity chapter about knowing your luxury brand i.e. conducting a brand analysis, and choose which values that should be activated on Facebook, as Aconis says: *"... the other way around."* (Aconis 2012). The challenges we have discovered talk in favour of the luxury brand dominating the client i.e. the anti-law 'dominate the client' (Kapferer&Bastien 2012) even on Facebook. These notions lead us to believe that Facebook can be a favourable social media platform for creating a luxury brand identity, by using strategies and understand the challenges that might cause out-of-control issues (Schneiderman 2011).

5.2 Creating luxurious relationships on Facebook

Facebook is on the premises of the users (Thomsen 2012), which means that luxury brands are negotiated online. We will in the following investigate if Facebook can be a favourable social media for luxury brands to create relationships. We will in this section look into the premises of making an engagement strategy on Facebook, online users and their needs, how to exploit the users' voice, how to give a little piece of the luxury brand on Facebook, and how to navigate in accessibility without losing exclusivity.

5.2.1 Creating an engagement strategy on Facebook

"Why do you wanna be on Facebook? What is your hope to achieve from actually being able to engage with your consumers?" (Aconis 2012). One might say this frames the purpose of creating an engagement strategy, which arguably should define the relationship the luxury brand would like to have with its online users.

According to L2 Think Tank, Facebook is the largest global two-way communication platform (Galloway 2011). Two-way communication is represented by the communication loop in the IMC process model (Pickton&Broderick 2005). This is a new way of communicating for luxury brands, as traditional media arguably did not allow for the user to comment directly. Hence, luxury brands have to consider that on Facebook there will presumably be a reaction to an action. Aconis emphasises this: *"…When you open communication channels people will talk*

about your brand…they will challenge you." (Aconis 2012). Bøilerehauge agrees with Aconis stating that embracing two-way communication is a challenge for luxury brands as: *"they don't have the tradition of interacting with the customers"* (Bøilerehauge 2012). Thomsen takes it a step further and says that conducting one-way communication on Facebook is a misunderstanding of the media (Thomsen 2012).

In previous analysis we proposed to luxury brands to draw upon previously conducted luxury brand identity analysis and choose core values that should be conveyed through a communication strategy for Facebook. Aconis takes this a step further and raises the question of how a luxury brand should dialogue on a two-way communication platform as Facebook: *"It has to be in line with their brand strategy. It has to be customer participatory, but you just have to make sure that it doesn't damage your brand. Luxury brands will spend a lot of time figuring out the right formula for making that happen."* (Aconis 2012). The tensions between being customer participatory and making sure that it does not damage the luxury brand will a focal point for the rest of the section 'Creating luxurious relationships on Facebook'.

Therefore, in order to figure out the right 'formula' or engagement strategy it would arguably make sense for luxury brands to look into detail with the online users in terms of who they are, what they do online, and what their online needs are. This will be the following step in our analysis.

Therefore one should take the following challenges into considerations when creating an engagement strategy on Facebook:

- Be prepared for the fact that an action has reactions on Facebook and that they might not favour the luxury brand

- Seek to create an engagement strategy that is not only in line with the luxury brand identity, but also expands it and enhances it

5.2.2 Online users are everyone and their grandmother

Facebook is a social media platform, where users seek to socialise with likeminded groups of people (Safko&Brake 2012), and embraces characteristics such as accessibility and co-creation. All users on Facebook are allowed to like, comment and share content.

The average social networker's age is 38 years, which arguably shows diversity among users in terms of age. Both Bøilerehauge (2012) and Skjold (2012) question if luxury consumers are online today. Okonkwo (2010) states that they are online and just as much online as any other consumer. She characterises them as being empowered and influential, informed with luxury offerings, more website loyal – less brand loyal, seeks to connect, share and dialogue online, and expects to be in charge. Further they have: *"… become a specialist detective in filtering out the details of brand promises that they deem unworthy of their time"* (Okonkwo 2010: 267). This quote emphasises some of the points stressed in previous section about conveying the brand identity, because the users have become more critical and savvy according to Okonkwo (2010), Thomsen (2012) and Aconis (2012).

Additionally, the changing luxury landscape has changed the luxury demographics and made 'normal people' i.e. the middle class into luxury consumers. A young generation of luxury consumers has emerged too, and they arguably are spending much time online. One might also say that some of the luxury consumers/users are represented among Facebook's 955 million

monthly active users, Burberry's 14 million fans, Prada's 2 million fans, Acne's 261,435 fans and H&M's 13 million fans.

In order to understand how the users should be approached and what function they may have for a luxury brand we will look into the various types and functions of the online users, since everyone and their grandmother use social networks, as Aconis (2012) puts it.

5.2.2.1 Meet user needs with self-disclosure

Bøilerehauge stresses: *"If I was head of a luxury brand I would try to figure out to which extent the customers are on the social media … One, if they are on social media? And then secondly, look into their media uses and media habits to see what kind of activities they engage in."* (Bøilerehauge 2012).

According to Kaplan and Haenlein Facebook is a social networking site, which requires a high degree of self-presentation in order to become a user i.e. the level of information one must give in order to get access. Additionally, Facebook allows for a high degree of self-disclosure, i.e. in terms of personal opinions, intimate information, likes, dislikes and so on. It is noteworthy that the level of disclosure affects the outcome of brand awareness and brand-user relationship i.e. arguably the higher the level of self-disclosure the more intimate the relationship becomes.

Self-disclosure can cover the user's need for information as mentioned by Porter et al. (2011). One might say based on the above examples from our luxury brand identity analysis that a luxury brand can create self-disclosure as seen in the strategy about inviting the user backstage. This could be said to cover a need for feeling connected and belonging (Porter et al. 2011, Wave 6 2012, Singh et al. 2012). When a luxury brand communicates it can be seen as action from where the user get the possibility to react in terms of liking, sharing, commenting i.e. the user are allowed to express themselves. One might say this covers the need for self-expression (Porter et al. 2011, Wave 6 2012). Thus, when luxury brands enter the Facebook universe, they

should be aware of the fact that high brand awareness and stronger relationships are based on the degree of self-disclosure, which might conflict with the inaccessibility and elevation of luxury brands (Skjold 2012, Bøilerehauge 2012, Thomsen 2012, Aconis 2012, Kapferer&Bastien 2012, Corbellini&Saviolo 2012).

The social presence of Facebook is at a medium level according to Kaplan and Haenlein due to its mediated and asynchronous communication. In Layman's terms the luxury brand will never be able to directly communicate with the consumer, as Facebook will always be the mediator of the communication. The accessibility that comes with the Facebook platform poses a threat for the exclusivity of luxury brands. Facebook is not an exclusive channel according to Aconis (2012), but it lends the brand *"… a lot of energy, a lot of freshness, a lot of youth, and a lot of currentness …"* (Aconis 2012) and he also stresses the challenge in terms of the exclusivity (Aconis 2012).
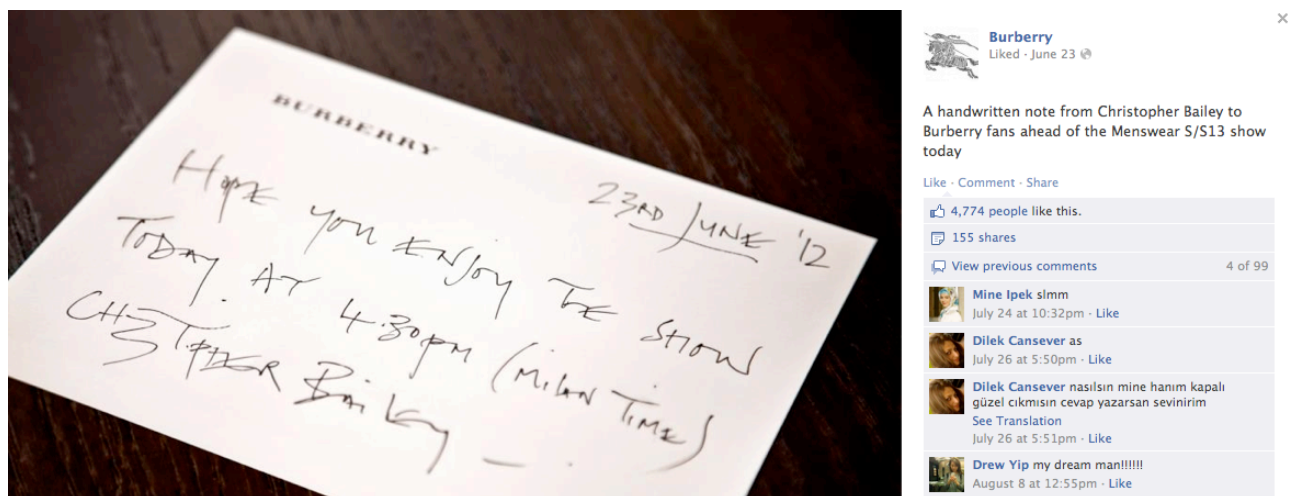
An example of Burberry using the 'personal note' to meet user needs with self-disclosure[81]

One might say that above image shows self-disclosure in terms of it is a handwritten note from CCO Bailey himself and that the note explicitly approaches the user by addressing 'you', which makes it personal and intimate. This arguably makes the user feel connected and included in the luxury brand universe. Another aspect in terms of credibility is that the offline world and

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[81] http://www.facebook.com/burberry?fref=ts

the online world are so to speak synchronised to validate the message, i.e. by having the Facebook brand page post stating posted on the 23rd of June and the actual note stating *'23rd June '12'* in Baileys handwriting. The note bears resemblance of a newsletter and thereby covers a need for information, i.e. time of the show, date and Milan time. By covering the need of information Burberry equips users to tell others about this event. One might say that this is the Facebook way of receiving a newsletter. This image might favour the media in terms of self-disclosure, but the two-way communication is arguably simulated considering the declarative sentence structure, which one might say is a way to maintain the control of potential receiver responses. The declarative sentence structure on the other hand favours the luxury brand in terms of staying exclusive and inaccessible on an accessible media.

The luxury brand should find ways of balancing the presence on a social media site with its luxury values, in order not to become common property (Thomsen 2012) and potentially lose luxuriousness when facing social media and Facebook. Having mapped some of Facebook functions with the user needs we will move on to specifying what kind of different users luxury brands are dealing with online and potentially creates relationships with.

5.2.2.2 Know your audience

Singh et al. (2012) establish seven types of global social media users, namely the creators, the conversationalists, the critics, the collectors, the joiners, the spectators and the inactives.

Thomsen (2012) segments the users in a different way. According to Thomsen (2012) it is more about segmenting the users into stages that reflect different values to the brand. He categorises the users into five stages. The first types of users are those who have liked the Facebook brand page and have awareness of the brand's existence, i.e. 'the liker'. 'The likers' automatically moves to the next stage as 'the observers'. From the observer stage Thomsen (2012) says that the next step is to activate them and make them into 'the interactive user' who comments, likes, and shares the brand messages. We would like to point out that in order to become an interactive user they have to have 'liked' the Facebook brand page. The most

beneficial of 'the interactive users' can according to Thomsen become 'brand ambassadors', with who he suggests making strategic alliances by rewarding them with cash or benefits in return of good publicity and WOM. This might be a risky move according to Thomsen himself, as he states in another context that one should be careful online because everything is on the premises of the savvy users that can see through a poor strategy (Thomsen 2012). The last and most beneficial stage is when the users become 'the user-generated innovation user', i.e. the user Singh et al. (2012) call the creator, who comes up with suggestions about everything from opening hours to actual products (Thomsen 2012).

Above five stages can arguably be paired up with the three types of WOM models (Kozinets et al. 2010). 'The liker' could represent 'the organic interconsumer influence model' as a mere like of a Facebook brand page pops naturally up on 'the likers' own wall and his or her network's Facebook news feed. Thus, the message is not pushed by a marketer, but is consumer to consumer. 'The linear marketer influence model' represents 'the interactive users' and especially 'the brand ambassadors', as they will speak in particular favour of the brand. Thus, users considered opinion leaders spread the message. The last WOM model is 'the network co-production model', which represents 'the user-generated innovation user' and more specifically the users who are co-creators.

The different types reflect a different level of engagement with a brand as seen above all of them have a function. According to Thomsen 'the likers' hold value in the sense that a 'liker' has friends, i.e. the social network. The brand message will be spread to the masses and perhaps hit a few people who will have a real value for the luxury brand (Thomsen 2012). Skjold further notes that a like has value in the sense that *"… someone has taken the effort to click … And if people don't care or they don't feel some loyalty they will not click."* (Skjold 2012). Though, it is worth noting, *"… you have a lot more people liking luxury brands than will ever buy the luxury brand …"* (Aconis 2012). Bøilerehauge defines the likes as a long-term marketing investment. Because in order to generate sales and promote the dream the luxury brand always has to be top-of-mind (Bøilerehauge 2012).

Bøilerehauge refers to 'the observers' as the passive users (Bøilerehauge 2012). They read your posts but will never give feedback in terms of a like, comment or share. For these types the purpose is arguably to create brand awareness and thus be on top-of-mind.

The step from having 'likers' and 'observers' to creating 'interactive users' and 'brand ambassadors' can pose a challenge: *"A luxury brand really has to understand how do we activate these likes and how do we activate the right likes"* (Aconis 2012). Thomsen states that the more the luxury brand dares to involve the users the greater value they will get for the luxury brand (Thomsen 2012). However, this may pose a challenge for luxury brands considering the elevation, exclusivity and inaccessibility. One could argue that Thomsen and Aconis have a useful point, as they say is that it is not about the volume of likes, but the quality of likes. In order to involve the users to a higher degree and create a valuable relationship with these Thomsen states that luxury brands should start to think 'socially' and integrate them a step earlier and allow the users to feel ownership in the brand (Thomsen 2012).

During the luxury brand identity analysis we have seen an example of how Burberry invited the consumer 'backstage'. The 'backstage' is a tool where the luxury brand seeks to educate the users in core luxury brand values by inviting the user backstage. Moreover in this way the luxury brand might cover the user need for information through self-disclosure while making it a move that seeks to spread the dream. Luxury brands can make the user feel smart, important or trendy by covering the need of information and thereby activate them to generate WOM (Sernovitz 2009). Thus, the challenge lies in making the users worthy brand messengers, but one should consider that users do not share something they cannot find themselves in, i.e. the need for self-expression. Additionally, to maintain the exclusivity when inviting the user backstage, the luxury brand should arguably preserve some 'distance' (Bøilerehauge 2012) by not encouraging the user to react, e.g. keeping focus on the luxury brand and simulate dialogue by not overtly asking for the user's opinion.
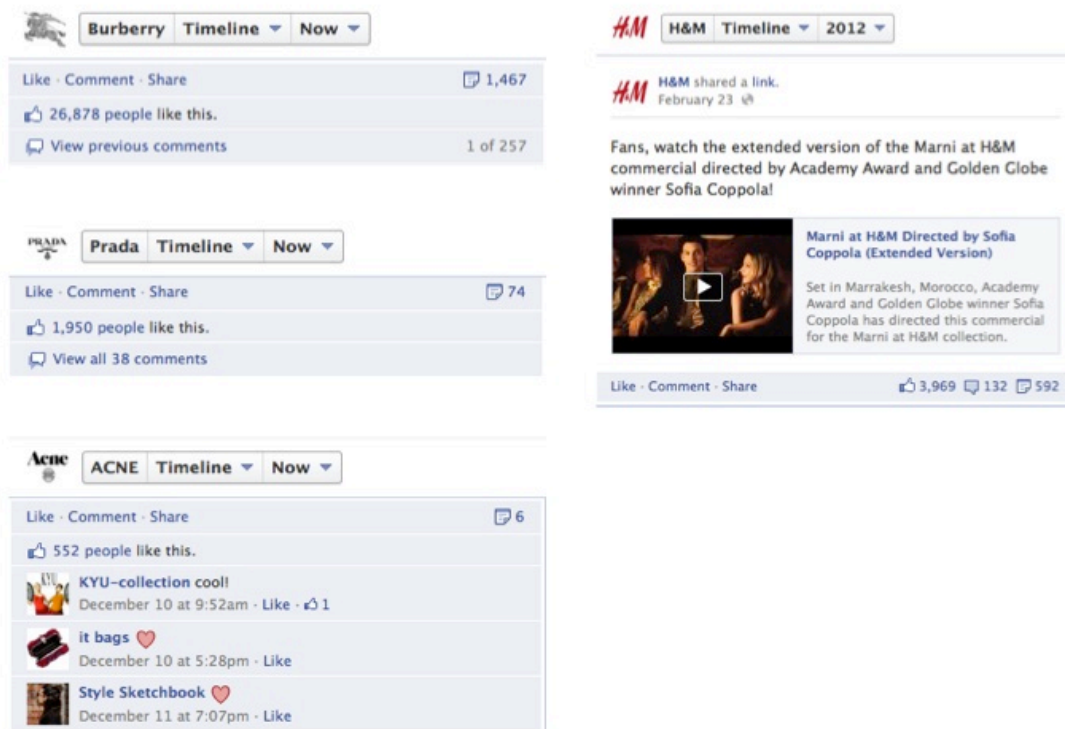
Examples of 'interactive users' from our four case studies' Facebook brand page.[82]

The examples above show the amount of likes, shares and comments i.e. the 'interactive users' on four different brand page posts from our four case studies. One should keep in mind the different amount of fans on each brand page and the difference in terms of what type of post it is, e.g. a video or a product. Acne primarily uses their Facebook brand page to promote products, e.g. clothes, magazines. What is interesting about this post from Acne is that it might reflect their type of communication, as seen in the semiotic analysis Acne is to a large extent informative and does not dialogue or simulate dialogue with users, which arguably is an answer to why they can generate 552 likes, but 'only' three user comments.

Thomsen (2012) believes that 'the user-generated innovation user' adds most value to a luxury brand, as it can be perceived as a direct channel to understand what the users want. However, Kapferer and Bastien (2012) seem to disagree with this type of user-luxury brand interaction considering the anti-law 'do not pander to your customers' wishes'. The anti-law states: *"There*

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[82] http://www.facebook.com/hm?fref=ts, http://www.facebook.com/acneonline?fref=ts, http://www.facebook.com/Prada?fref=ts, http://www.facebook.com/burberry?fref=ts

are two ways to go bankrupt: not listening to the client, but also listening to the client too much." (Kapferer&Bastien 2012: 68). This speaks against actively integrating 'the user-generated innovation user', but it does not rule out listening to the users. Instead one could assume that for luxury brands it would be more appropriate to recognise the most valuable buyers and ambassadors and when they get into the store ask these if they are on social media and what kind of experience they would find fruitful in an online setting.

To activate WOM it is fundamental to acknowledge their presence and invite them into the luxury brand universe. The two images below show how Burberry and H&M celebrate and acknowledge their Facebook fans.
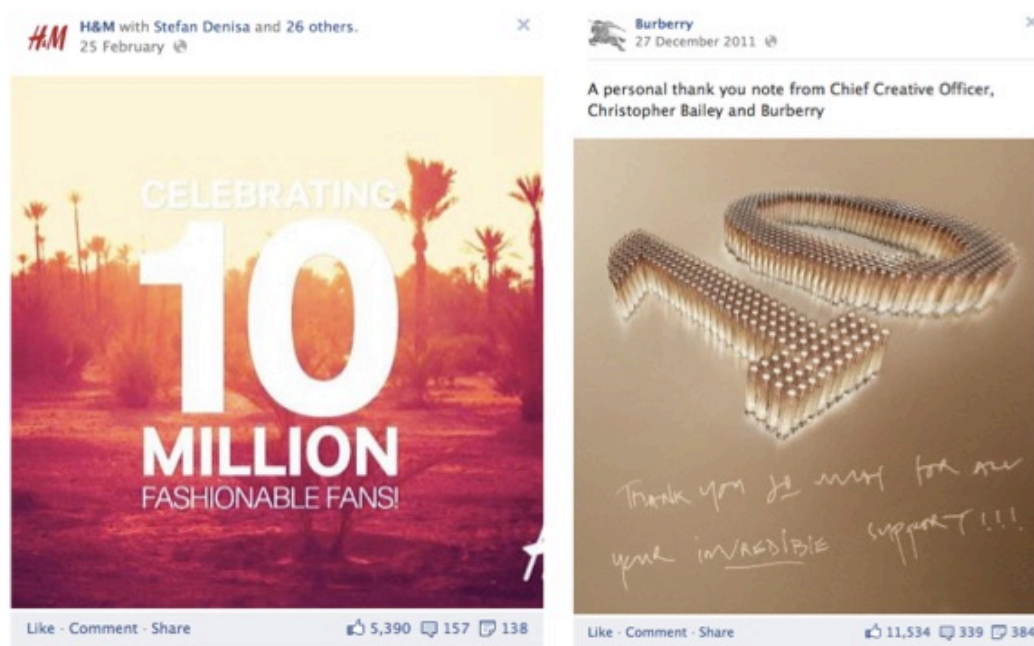
Images from Burberry and H&M's Facebook brand pages where they celebrate 10 million likes[83].

Burberry made a personal thank you note in the brand page post from CCO Bailey: *'Thank you so much for all your incredible support!!!'*. The communication is arguably acknowledging the

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[83] http://www.facebook.com/burberry?fref=ts, http://www.facebook.com/hm?fref=ts

user, which is an element in creating relationships and make users feel belonging according to Porter et al. (2011), and moreover to generate WOM (Sernovitz 2010).

Above section establishes the importance of knowing your audience, as it will give luxury brands knowledge of how to exploit online users to generate WOM. Rinaldi frames the purpose of knowing your audience: "… *social media represent a way to get into more direct contact with consumers with the purpose of knowing better the customer's needs and providing a customized service."* (Rinaldi 2012). In the following we will look into the power the users hold on Facebook.

Therefore one should take the following challenges into consideration when socialising with everyone and their grandmother:

- Try to create an online user segmentation in order to decide which types of users adds more value to the online presence and the respective luxury brand

- Establish an engagement strategy that embrace the user needs and activates them as valuable assets to the luxury brand

- Try to distinguish between the volume of users and the quality of users in order to comply with the engagement strategy and its objectives

5.2.3 Vox popoli, vox dei

'Vox popoli, vox dei' means 'voice of public, voice of God'. Kapferer and Bastien state that with luxury brands it is the opposite way around: *"In order to become the grand master of taste, it is certainly necessary to have talent and inspiration, but also recognition of a clientele whose*

choices shape the public opinion …" (Kapferer&Bastien 2012: 88). The last part of the quote arguably refers to 'the brand ambassadors'/opinion leaders and their potential in terms of shaping and spreading the message. This quote might show that the anti-law 'dominate the client' also can be used to make certain clients dominate other clients via peer-to-peer communication i.e. WOM.

As seen in above section 'Know your audience', communicating through the right people is a potential way of communicating the luxury brand to a large audience, but it requires that the luxury brand identify the online users and might use some of these as 'brand ambassadors' (Thomsen 2012). Arguably it could be useful to know what motivates them and thus which luxury brand elements and experiences that should be emphasised. This underlines the interrelation between the luxury brand identity and the brand user relationship. How should the luxury brand identity be conveyed on Facebook, through connotations to art, celebrities, inviting backstage in order to activate WOM?

On Web 2.0 consumers have influence on luxury brands, as they can be perceived as co-creators of the luxury brand identity considering the power shift between brands and users in online settings. An example of the user power is that the official Marni Facebook brand page has 2,689 likes and the non-official Marni Facebook brand page has 34,900 likes. This might imply how the control of the luxury brand is out of their hands, and if the luxury brand does not communicate, someone else will communicate for them. This suggests a need for following the advice by Kaplan and Haenlein (2010): 'Be active' which further relates to the advice by Crandell (2012) 'listen, analyse and engage continuously'. Thomsen emphasises the importance of being interesting and 'alive' because otherwise the luxury brand risks ending up on Facebook's graveyard (Thomsen 2012). This requires that the luxury brand is ready for the imperfection, which Aconis stresses by saying: *"…there is all sorts of ugliness in the real world, which does not fit with the perfect world of a luxury brand and are we ready to let that in?"* (Aconis 2012). Arguably, it is not a question of 'whether' but 'how' this should be let in.

The image below is an example of how the fur auction house Kopenhagen Fur seeks to control the tone on their Facebook brand page and thereby the voice of the consumer.

An example of how Kopenhagen Fur seeks to control the voice of the user in their Facebook brand page description[84]

Kopenhagen Fur provides an example of how to seek to dominate their brand user relationship on Facebook by explicitly saying: *"Kopenhagen Fur is the world's largest fur auction house. We love your feedback and comments, and we encourage a sober tone of voice on our Facebook. We will moderate intolerable language."[85].* In this example Kopenhagen Fur communicates what kind of community they prefer, by emphasising that they 'love' the feedback and comments from the users 'and' they encourage a proper tone, while not being afraid of admitting that they will edit material that do not favour the kind of community they would like to provide for their users. The honesty can come across as a credible characteristic of the brand, because they acknowledge that their product might be controversial for some people. One might also argue that such a message might seem more 'legal' when working with such a controversial product as fur, but for other fashion luxury brands it might not seem as honest to 'weed out' unfavourable user comments. On the other hand an initiative like this might show that Facebook is not always on the premises of the users and that there are possibilities for

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[84] http://www.facebook.com/kopenhagenfur?ref=ts&fref=ts
[85] http://www.facebook.com/kopenhagenfur?ref=ts&fref=ts

brands to dominate and control. Kapferer and Bastein says: *"Using Facebook to create and manage a community of fans is an exellent strategy."* (Kapferer&Bastien 2012: 252). Kopenhagen Fur creates by this action a communication loop 'filter' that accepts specific receiver responses. One could presume that this might provoke some users to post less sober material, but considering the required amount of self-presentation on Facebook it cannot be done anonymous and it will therefore not be the same as 'the anonymous harassment' possible on blogs. Controlling a community might be a difficult task because employees are presumably not supervising the Facebook brand page 24 hours per day. At least a supervision of that kind arguably requires resources from the brand.

Therefore one should take the following challenges into consideration when using the voice of the public:

- Avoid unwanted UGC about your luxury brand by anticipating the users' need for information with new material on continuous basis i.e. 'be active' by Crandell (2012)

- Consider if it is necessary to communicate boundaries for user reactions in terms of them posting or commenting on the Facebook brand page in order to legitimise editing of content

5.2.4 A little piece of the luxury brand

Online users seek to connect, feel group belonging, express themselves, being informed and being in charge (Wave 6 2012, Porter et al. 2011, Singh et al. 2012). Thus they seek to feel empowered, by being surrounded by likeminded groups of people that add value to the online existence.

According to Corbellini and Saviolo (2010) luxury brands are used as means of expressing oneself with focus on feeling pleasure. Aconis says: *"…we dream about the brand, we aspire to the brand, we would love to be able to buy the brand, and by clicking on the like button we get a little piece of the brand."* (Aconis 2012). Additionally, Aconis points out the user value of liking a luxury brand on Facebook: *"… we have to remember that likes on… a persons Facebook is also a branding tool that says something about me."* (Aconis 2012). This quote points out that online users might use brands to express themselves to their social network, which is in line with user needs such as self-expression and being in charge. In this way the 'like' speaks both in favour of the user in terms of self-expression, and for the luxury brand in terms of promoting the luxury brand.

As mentioned earlier, online users are savvy and can see through a poor online strategy (Thomsen 2012). Thus, online material should be meaningful and add to the users feeling of connectivity and feel belonging by providing information and allowing them access into the luxury brand universe. As seen previously luxury brands allowed users backstage, to witness the work that lies behind making a luxury product or creating a new flagship store to extend the luxury brand experience. One could argue that this gave the consumer a feeling of inclusiveness and connectedness in the luxury brand universe. And by focusing on 'you', 'me' and 'us' (Sernovitz 2009) they create a community and encourage WOM – spreading the dream.

Skjold emphasises the power of online users: *"… I can see them deeming a site in or out, because of it's amounts of members of course."* (Skjold 2012). One might say that Aconis (2012) and Thomsen (2012) regard the power of the online users from a more nuanced perspective namely quality over volume, as mentioned. L2 Think Tank backs this perspective up stating: *"… winning on Facebook is more than just "like" count.* (Galloway 2011: 2). It is about creating two-way communication and marketing initiatives that *"…monetize the platform."* (Galloway 2011: 2). Once again the importance of creating relevant material is underlined. However, it needs to be balanced with the tight illusion of perfection (Aconis 2012).

Thus, it seems to be about empowering the online users by exploiting the communication loop from the IMC process model (Pickton&Broderick 2005). This arguably requires knowledge of the different types of users, in order to try to manage content in relation to the different WOM models.

Aconis mentions one of the new premises for brands to interact with the users: *"I think branding used to be about 'what can we do for you?', then we moved into new era of co-creation where we say 'what can we do together?'"* (Aconis 2012). Rinaldi says that today's luxury brand should have *"… total control of the supply chain, offering a perfect product in every detail of the highest quality."* (Rinaldi 2012). This might conflict with the concept of co-creation i.e. 'what can we do together'. Co-creation might also seem a bit risky and democratic for luxury brands considering the anti-laws by Kapferer and Bastien's e.g. 'dominate the client', 'do not pander to your customers' wishes', 'do not respond to rising demands' and as pointed out: *"There are two ways to go bankrupt: not listening to the client, but also listening to the client too much."* (Kapferer&Bastien 2012: 68). One might argue that Kapferer and Bastien do not provide the final truth to luxury, but arguably represent the notion of traditional luxury, which might have to take its precautions towards interacting with the users on democratic terms like co-creation suggests. Luxury brands are by nature superlative, dominating, controlled, educating, taste promoters and inaccessible (Kapferer&Bastien 2012, Skjold 2012, Bøilerehauge 2012, Aconis 2012, Corbellini&Saviolo 2010, Rinaldi 2012). Though, Thomsen (2012) states that co-creation for luxury brands does not have to be a universe with endless possibilities, but a question of A and B or red and blue thereby manipulating the users to think that it is co-creation that had happened (Thomsen 2012). Arguably, this would involve the users earlier in the value chain like co-creation intends to do. The challenge might be to identify what kind of co-creation suits the specific luxury brand, e.g. in terms of store location, opening hours, product innovation or brand universe.

An example of Burberry co-creating the universe with the user Pernille Holm Frandsen i.e. the name is handwritten on the digital invite[86]

Burberry has in above image invited Pernille Holm Frandsen and Rasmus Philip Jensen to their Burberry fashion show. The users have been invited through Facebook to write their names and receive a personal invite to see the 'live' fashion show at burberry.com. One might argue that they use co-creation on own terms in order to meet the need of belonging and connecting, but Burberry have chosen the type of co-creation, which do not consist of an endless world of possibilities as mentioned by Thomsen (2012) and thereby maintain in control of the co-creation process.

Therefore one should take the following challenges into consideration when giving a little piece of the luxury brand:

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[86] http://www.facebook.com/burberry?fref=ts

- Seek to create material that empowers the users to generate WOM by letting them feel informed, connected and part of a community

- Consider the risk of reversed power structures, i.e. the user dominates the luxury brand, when using the voice of the users to spread the dream

- Consider the degree and risks of co-creation if implementing it on Facebook as it might devalue some of the superlative characteristics

5.2.5 Navigating in accessibility without losing exclusivity

In the following we will see examples on different ways to create engagement and look into how luxury brands can communicate luxuriously while embracing accessibility.

This challenge is pinpointed by Keller's (2008) growth tradeoff 'exclusivity versus accessibility' namely the challenge of being for 'the few' versus creating a larger customer base. Facebook provides the possibility to expand the customer base, but one might say it can compromise the exclusivity.

The communication loop in the IMC process model may collide with the need for luxury brands to maintain a tight illusion of perfection mentioned by Aconis (2012) and a 'coherent system of excellence' by Corbellini and Saviolo (2010). Aconis argues that the exclusivity should remain intact on all platforms, as this is what consumers buy into (Aconis 2012). One way of reinforcing the exclusive traits could be to create barriers to participate. This would change the fifth social success factor 'remove barriers to participate' by Crandell (2012). One must keep in mind that these social success factors have been created for strengthening general brands use of social media and Facebook. Therefore, luxury brands could seek to create barriers through semantic exclusivity (Appadurai 1986), choice of brand ambassadors (Thomsen 2012), art connotations

(Kapferer&Bastien 2012), or celebrity endorsements (Kapferer&Bastien 2012, Skjold 2012) as mentioned continuously in this research.

In August 2011 the Facebook administration removed the option for brands to turn off the ability for fans to post wall comments. This might be interpreted as a sign of brands using it as a one-way platform. This removal fortified Crandell's (2012) sixth success factor 'enable everyone to participate' and made user reactions hard to avoid for brands on Facebook. Aconis states that the accessibility luxury brands have experienced have changed them from being closed clubs to accessible luxury brands, and according to Aconis this have created a challenge for luxury brands to prove their luxuriousness (Aconis 2012.

Facebook have a vast amount of tools and can be considered favourable for luxury brands according to Aconis, as *"… it allows a more customercentric and complex way of communicating"* (Aconis 2012) and it can be perceived as an *"… effective communication tool for luxury brands to communicate what they are about and why they are a luxury brand and what kind of luxury they can offer us"* (Aconis 2012). That being said many general brands meet their users by adopting the communication trend 'flawsomeness' (Appendix 9) i.e. showing human characteristics that ensure the fans that it is peer-to-peer communication prone to generate WOM. Even though Kapferer and Bastien (2012) have the anti-law 'Does your product have enough flaws' one should not confuse the product with the communication. Considering the 'coherent system of excellence' including exclusive communication (Corbellini&Saviolo 2010) one could tend to believe that flaws in the communication could result in mistrust of the luxuriousness of the luxury brand. Further, Aconis refers to exclusive communication when he states that a luxury brand is about a tightly controlled illusion (Aconis 2012). Kapferer and Bastien note that the 'flaw' in the product reflects a source of emotion or a touch of madness (Kapferer&Bastien 2012). One might say that the madness and emotion i.e. flaw of the product could be communicated through Facebook. Though taking the exclusive communication into consideration it would presumably not speak in favour of the luxury brand identity to follow the advice 'be unprofessional' by Kaplan and Haenlein (2010) and incorporate 'the human flaws' (Appendix 9). However, luxury brands could incorporate a human aspect through the use of

celebrities or internal 'celeb' personalities e.g. Bailey and Tom Ford in order to stay 'flawless' and controlled.

The images below show examples of how Burberry tries to cope with the challenge of navigating in accessibility without losing exclusivity:

'The personal note' post and one of the 'Behind the scenes of the Burberry Autumn/Winter Campaign' images from Burberry's Facebook brand page[87]

The personal note from Bailey portrays a simulation of two-way communication and dialogue between the users and Burberry's CCO. Burberry does not ask for any response from the receivers, but merely informs that a show experience is ahead of the fans today. It comes across as personal and shows a high level of intimacy in terms of wording. The 'simulated dialogue' is reinforced by the fact that Burberry has 14 million fans on Facebook and arguably they cannot be friends with each and every single one of them i.e. *'HI facebook friends'*. The message shows accessible characteristics by welcoming the people, who have opened up their

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[87] http://www.facebook.com/burberry?fref=ts

Facebook channel to Burberry, and it shows superior features considering the message not having any interrogative sentences. As mentioned in the semiotic analysis the connotators of this image draws on exclusive and traditional standards in its format e.g. the personal note paper by Christopher Bailey, handwritten, the golden fabric it rests upon, which enhances the luxurious brand identity.

The second image, below the note from Bailey, has the same functionality of maintaining exclusivity while staging accessibility. The user is invited backstage in a photo album named *'Behind the scenes of the Burberry Autumn/Winter Campaign'*, but arguably only as far as Burberry allows it. We discussed these images in previous chapters, but communicating a luxury brand identity is also a means to bond with the users i.e. creating a relationship, which makes it indispensable for us to mention again.

The two images come across as honest because of the framing and editing i.e. handwriting and cameras on the set, thus they seem to keep the media in mind. The text connected to the images does not encourage two-way communication, but controls that emotional feeling of bonding in an intimate way by being a 'real' personal note for 'you' and inviting 'you' behind the scenes of a campaign. Burberry one might argue provides an example of creating a user-centric experience beyond traditional media without devaluating the luxury brand identity and values. Moreover, the relationship can be characterised as PSI as it arguably creates the illusion of a close relationship (Colliander&Dahlen 2011).

Whereas Burberry stages an illusion of two-way communication Acne neither communicates two-way nor creates an illusion of two-way communication. Acne uses Facebook to promote new collaborations, the launch of their magazines and creating product awareness as seen in the semiotic analysis. The collaborations are kept exclusive by using strong semiotic meanings e.g. Lord Snowdon's heritage and the clowns in Acne Paper 'the body issue'. Thereby, one might say that Acne does not make the Acne universe accessible and only strengthens their exclusivity. When not communicating two-way or staging two-way communication they arguably miss out on the opportunities of Facebook and the communication loop.

Below image shows how Prada might not embrace the communication loop. The image shows a celebrity at the Cannes International Film Festival.

A Facebook brand page post by Prada, which shows how Prada's own luxury brand values are overshadowed by other brands[88]

One can argue that Prada would not have used this image in a traditional campaign, as it does not promote Prada, but instead one might say that it devalues the luxury brand by creating connotations to other brands such as 'Chopard', 'The Cannes International Film Festival' and 'L'Orèal in the background, and they might not enhance Prada's luxury values. The image seems as if it has not been edited in favour of Prada. Bøilerehauge underlines the need of editing images online to unfold the luxury brand values (Bøilerehauge 2012). One might argue that posting a 'glossy' image on Facebook merely favours the accessibility of the growth tradeoff, but undermines the exclusivity. On the other hand an image such as this might benefit the PR value. In terms of creating a bond to the users, the image nor the text seem to create or stage two-way communication, as we saw in the case of Burberry. Okonkwo (2010) characterises luxury users as empowered and influential, informed with luxury offerings, which makes them specialist detectives in spotting relevant material, as well as they seek to connect, share and dialogue online. One might question if Prada with this image live up to online luxury user's

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[88] http://www.facebook.com/Prada?fref=ts

needs and expectations. It does not seem to: extend the luxury brand experience, invite the user to feel connected, and enhance the exclusivity of Prada. One might suggest based on previous examples that features such as a storytelling about the product, reasoning for the celebrity Milla Jovovich as a brand ambassador, or an image without other brands could have enhanced and justified the connection to the brand and its relevance to the user.

Therefore one should take the following challenges when navigating in accessibility without losing exclusivity:

- Seek to stage a simulated dialogue by creating inclusive communication e.g. the level of formality in a personal note

- Seek to control the user reaction by not overtly encouraging dialogue i.e. interrogative sentence structures

- Try to communicate top-down to avoid being on equal terms with the users in order to maintain the luxury status as defined by Kapferer and Bastien (2012)

- Emphasise luxury connotations to maintain exclusivity and do not 'remove barriers to participate' as mentioned by Crandell (2012) nor include 'flawsomeness' (Appendix 9)

Above section provides challenges for luxury brands when creating relationship and engagement on Facebook. Considering above findings from a luxury brand management viewpoint it seems to be difficult for luxury brands to fully integrate dialogue and two-way communication in their presence on Facebook. The contradiction in creating luxurious relationships on Facebook is arguably underlining the importance of creating an engagement strategy to consider to what extent the luxury brand would like to make dialogue with the user, i.e. the degree of accessibility. Different examples have provided an insight into different ways

of approaching creating relationships in a two-way communication media as Facebook. Considering the current stage for luxury brands on Facebook, there might seem to be a gap between the notion of luxury and online two-way communication. This might make Facebook a less favourable media for luxury brands to create relationships. From what we can see luxury brands can learn about their users from Facebook, but it can be said to be an uneasy task to come across as luxurious while being 'friendly'.

The following section will analyse the premises for luxury brands to create product awareness on Facebook.

5.3 Product awareness on Facebook

All of our interviewees are by the conviction that luxury brands can create product awareness on Facebook in a relevant way (Thomsen 2012, Aconis 2012, Bøilerehauge 2012, Skjold 2012, Rinaldi 2012). Research from Unity Marketing states that affluents are online to make purchase decisions, which enhances the relevance of creating product awareness on Facebook.

In the following we will establish if Facebook can function as a means for luxury brands to create product awareness in a luxurious way. We will look into four different strategic uses based on empirical findings.

5.3.1 What is a luxury product?

Kapferer and Bastien (2012) state that where basic product corresponds to needs and the branded product corresponds to wants and desires, the luxury product corresponds to dreams i.e. going beyond the individual's needs and desires.

Bøilerehauge defines the luxury brand according to *"…the quality of the product or on the availability of the product."* (Bøilerehauge 2012). Noteworthy in this quote is that Bøilerehauge

defines the product as a main component of the luxury brand. Skjold agrees: *"…there should be an element of human labour in the product."* (Skjold 2012). Both interviewees stress the importance of the processes behind the luxury product, i.e. quality and human labour. Arguably Kapferer and Bastien agree with Skjold and Bøilerehauge stating that adding a *"…layer of silver on a product is not enough for it to qualify in the world of so-called luxury objects."* (Kapferer&Bastien 2012: 89). Thus, the luxury product should go beyond material and functional benefits and instead project deeper and symbolic values. According to Corbellini and Saviolo (2010) the symbolic benefits are essential for luxury brands, as the purpose is to create dreams. The symbolic values are what justify the product as a luxury product and what constitutes the social visa and makes the product a social function differentiating the few from the many (Kapferer&Bastien 2012).

The dream and the symbolic values one might say get realised in the psychical world by the tangible luxury product. This underlines the mutual dependence between the luxury product and the luxury brand identity, and how these two should constantly reinforce each other. Dana Thomas presents a critical perspective to how the strategic use of luxury products has changed by commenting Bernard Arnault, CEO of LVMH and other conglomerates' product focus: *"Arnault and his fellow luxury tycoons have shifted the focus from what the product is to what it represents."* (Thomas 2007: 74). One might say that Facebook with its 'front stage' functions has some values that could favour the representation of symbolic values. On the other hand it might not be able to convey the functional attributes i.e. made to measure, the tactility, and smell of the products, which Skjold (2012) refers to as a disadvantage of Facebook in its relation to luxury products.

In order to understand the representative elements that should be represented on Facebook it is arguably relevant to conduct an analysis. The brand identity prism can be useful considering the 'physical aspect', as this focuses on identifying which codes, signs, gestures and traits that are represented in the product and how they are a symbolic part of the brand. These elements should be a central tool for representing products online in terms of both visual and textual presentations. The purpose is to align product and luxury brand identity to create a product

awareness strategy for Facebook that matches the Facebook universe.

Kapferer and Bastien (2012) say that the Internet is a useful channel to spread awareness and that Facebook is an excellent strategy for a luxury brand to manage a community. One might say that Facebook represents a technological version of the Veblian effect because the more 'famous' the dream is, the higher the value is for flaunting the membership of the community. For example, what would a Birkin bag from Hermès be worth if no one knew about it? Or what would a pair of Louboutin or a pair of Manolo Blahnik be worth without their exposure in the series Sex & the City?

Therefore one should take the following challenges into consideration when creating product awareness strategies on Facebook:

- Try to conduct an analysis that determines representative elements from the luxury brand identity to create a coherent product awareness strategy for Facebook

- Explore the use of Facebook functions to communicate the symbolic elements

- Determine how to create added value to your community so that users are proud to be likers of your Facebook brand page – a technological version of the Veblian effect

In the following we will present four different strategic uses of creating product awareness on Facebook, namely a product story strategy, a sensorial strategy, a sales generator strategy and an after-purchase strategy. These four strategies are based on our empirical data.

5.3.2 A product story strategy

One might say that the product story strategy does not necessarily have to lead to sales, but can be used as a tool to allow the user to explore the luxury brand universe and understand what the luxury brand has to offer. By creating a coherent product story strategy the luxury brand can avoid Kapferer's (2008) communication glitch 'fantasised identity' and Aaker's (2002) brand image trap and product attribution fixation trap.

Aconis believes that Facebook allows for luxury brands to create product presentations and stories in order to create awareness (Aconis 2012). Moreover, it can allow for luxury brands to claim their iconic and current products, which can be relevant considering the high amount of copying (Aconis 2012). Making an effort to tell the product story can also be an effective tool of educating users in the luxury brand (Aconis 2012), which might make them worthy brand messengers generating WOM as seen in 'Creating luxurious relationships on Facebook'.
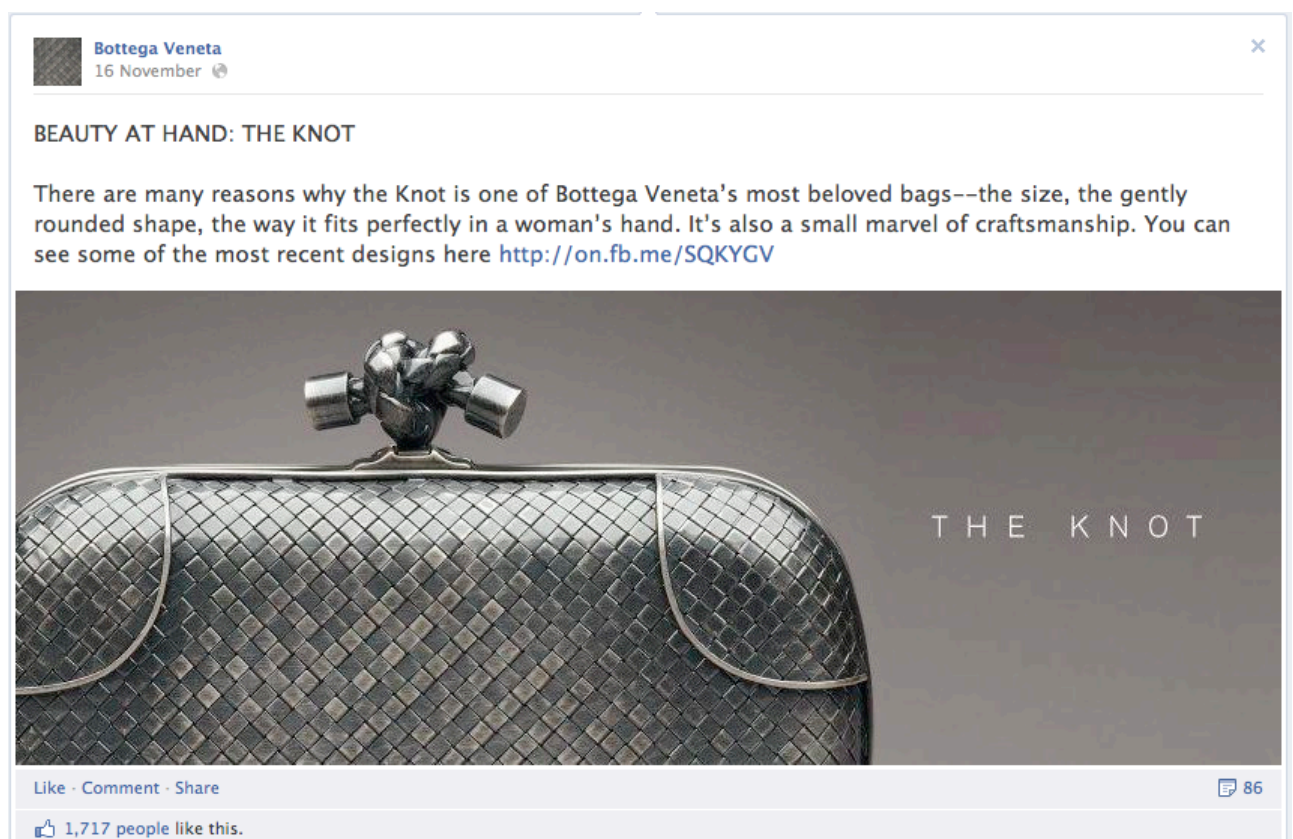
An example of how the luxury brand Bottega Veneta creates product awareness on Facebook[89]

The above image shows how the Italian luxury brand Bottega Veneta uses the functions of Facebook, more specifically the status update, to create a story about the product, which both Aconis (2012) and Thomsen (2012) find useful for luxury brands on Facebook. In the text Bottega Veneta states that it is one of the brand's most beloved bags, which can be considered as an exclusive stamp from the brand itself. This is followed by the bag's functional characteristics, namely size, shape and fit, which Bottega Veneta arguably considers as an advantage considering the wording: 'the way it fits perfectly in a woman's hand'. It creates connotations to perfection in shape and functions. The functional attribute arguably becomes an emotional value. The product is described as a *'small marvel of craftsmanship'* that points towards the detail and exclusivity of the product i.e. craftsmanship as Bøilerehauge (2012) and Skjold (2012) point to be important for luxury products. Bottega Veneta has through the product story framed the usage value, work value and symbolic value (Kapferer&Bastien 2012). One might say it serves as a luxury brand value proposition justifying why this product is luxurious. The last sentence in the text to the image encourages the user to click on a link to *'see some of the most recent designs'*. The link redirects the user to another Facebook sub site that requires a 'like' of the Facebook brand page to be able to explore further.

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[89] http://www.facebook.com/bottegaveneta?fref=ts
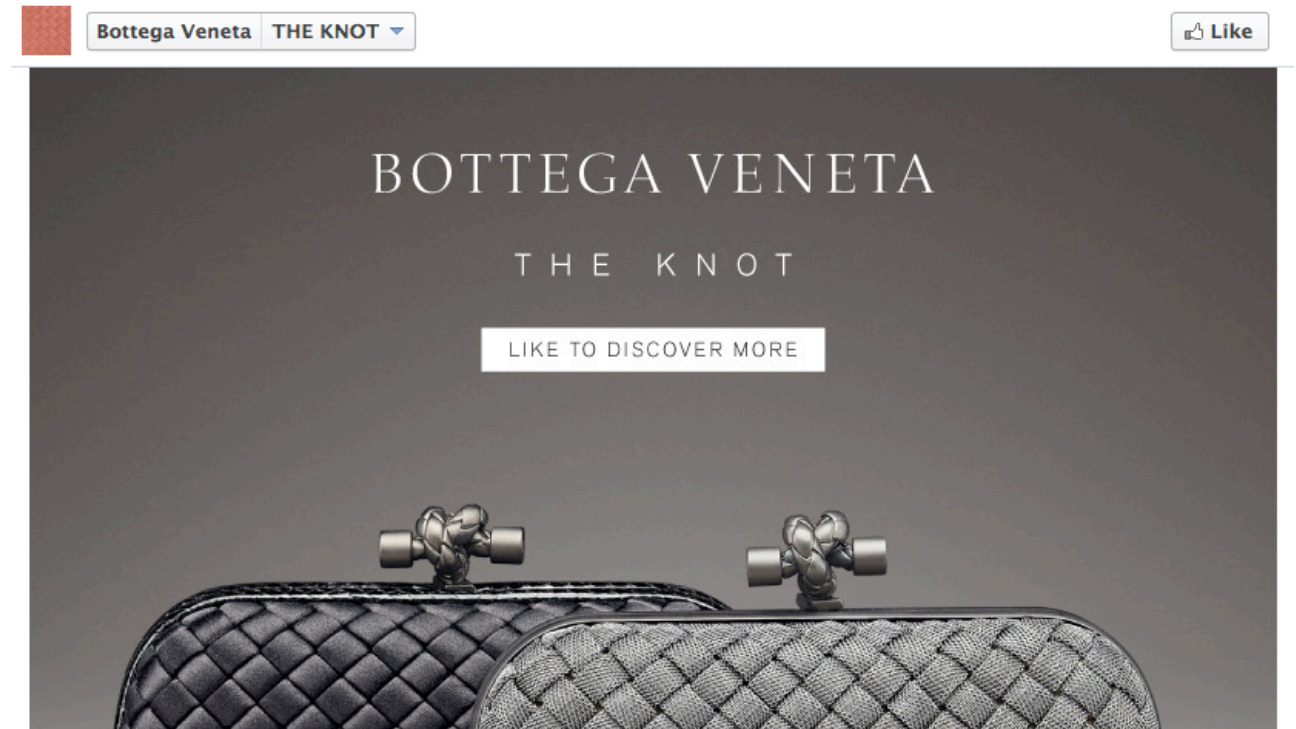
An example of Bottega Veneta that communicates barriers of participation[90]

One could say that this is an example of a barrier of participation communicated on the Facebook brand page, which arguably adds to the exclusive community feeling. This initiative is conflicting with Crandell's fifth social success factor for general brands on social media 'remove barriers to participate' (Crandell 2012). Throughout the research we have seen examples of barriers taking the shape of semiotic barriers, which has been the most frequent barrier seen in our data collection. The image below shows what on Bottega Veneta Facebook brand page awaits the 'liker'.

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[90] http://www.facebook.com/bottegaveneta?fref=ts
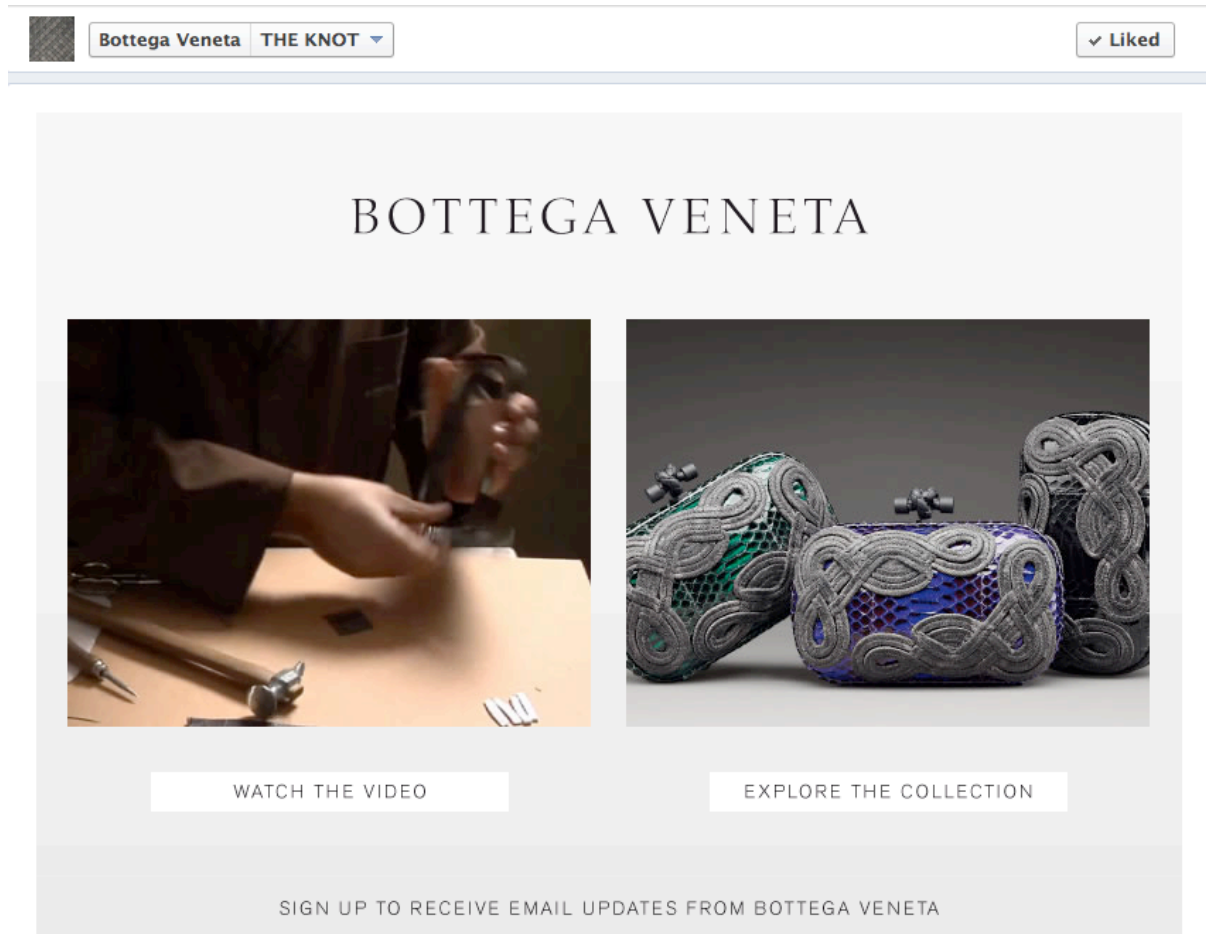
An example of what awaits the 'liker' on Bottega Veneta's Facebook brand page[91]

Bottega Veneta has created an integrated Facebook site dedicated to the story of 'the knot'-bag. In this way the brand has exploited the functions of Facebook. The first function they make use of is a sub site on their Facebook brand page dedicated to 'The Knot'. The second function is a video that portrays 'the making of' i.e. an example of inviting the user backstage. The third function make use of is a photo album showing the varierty and editions of 'The Knot'. The last function at the bottom of the image is a possibility to sign up for email updates from Bottega Veneta. This use of functions on Facebook is arguably made to convey the product story to a larger audience. As it is not possible to sell directly from Facebook and no links are provided to the webshop, one can argue that Facebook is not devaluating the luxury brand or the purchase of the luxury product. It seems, as the purpose is to communicate the core luxury values, enhance the dream, and create hype.

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[91] http://www.facebook.com/bottegaveneta?fref=ts

The example of Bottega Veneta shows how the story of the luxury brand is made accessible for the user by inviting them to explore the luxury brand universe. This arguably complies with the user need of information and feeling connected (Porter et al. 2011, Wave 6 2012, Singh et al. 2012), which is a good way of initiating WOM (Sernotvitz 2009) and creating brand ambassadors. Bottega Veneta maintains the exclusivity by using PSI, i.e. the communication does not set the stage for dialogue between the brand and the users. They arguably manage to create product awareness that balances the luxury brand identity and seeks to spread the dream to the masses.

Below images by the French shoe and bag designer Louboutin provides a different example of using a product story strategy on Facebook.
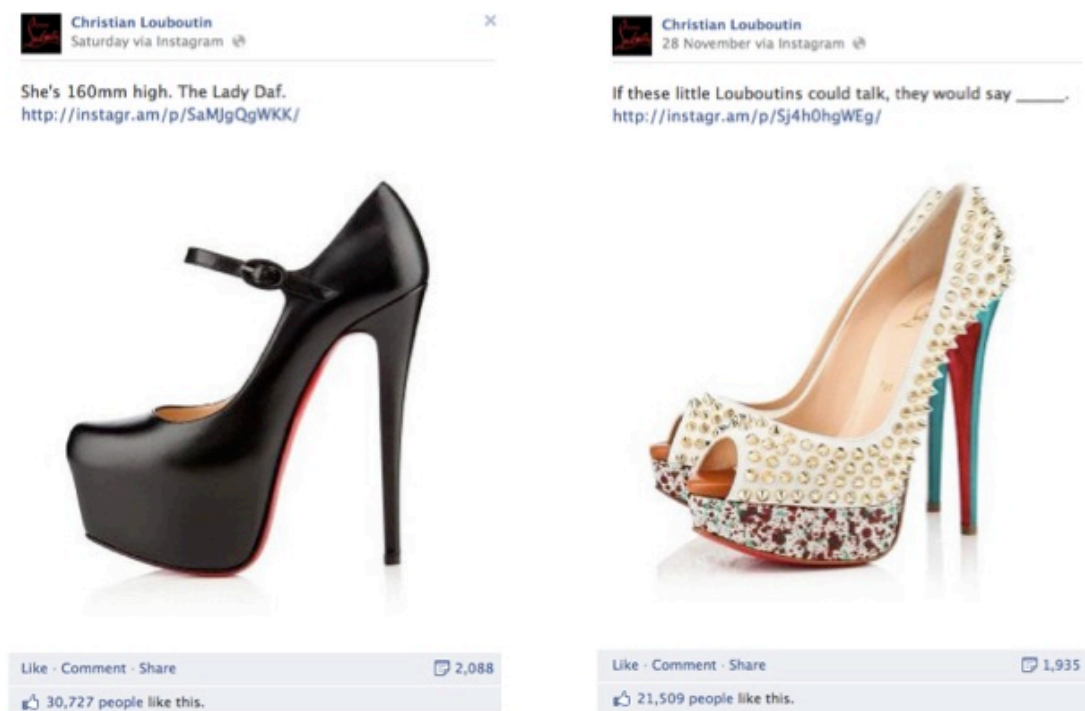
Two images from Louboutin's Facebook brand page showing how they use product story strategy to create product awareness[92]

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[92] http://www.facebook.com/christianlouboutin

In the image on the left Louboutin creates references to a real person, i.e. *'The Lady Daf'*. The Lady Daf, which is the shoe, is characterised as being 160 mm tall. The product story adds human characteristics. Louboutin shoes are arguably known for the high heels, and in this sense the usage value fortifies the luxury brand identity. The image on the right embraces basic characteristics of the Web 2.0 by encouraging users to co-create the story of the shoe: *'If these little Louboutins could talk, they would say_____'*. In four days this post has generated 1,120 replies, which one could say is above average on the Louboutin Facebook brand page. It shows how inviting to participation generates a strong flow of reactions i.e. action equals reaction on social media. One could argue that Louboutin taps into online user needs such as feeling belonging and connected by providing space for self-expression. Thus acknowledging the users and make them feel relevant, moving beyond PSI (Colliander&Dahlèn 2011) by using co-creation. One might argue that this empowers the users making them brand ambassadors generating WOM or UGC.

An opportunity for Louboutin could be to investigate if any of these responses where from Louboutin clients or if they are 'just' adding to the dream. Either way it allows Louboutin to get useful inside knowledge of how users perceive the luxury brand, and provides understanding of whether the luxury brand identity and image is in alignment. Considering how the brand has received cult status through the mass media series 'Sex & the City' arguably makes it prone to speak with the masses as their dream has been conveyed to the many previously. Thus, one could argue that the accessibility of Facebook does not damage the luxury brand identity, as the luxury brand became famous through mass media entertainment. A notion one could take into consideration in an analysis of the brand identity when seeking to create offline and online coherence proposed by Bøilerehauge (2012).

Luxury brands use celebrities to create product awareness on Facebook. Arguably, the celebrity adds to the story of the product like the example mentioned with Marilyn Monroe and Chanel No. 5. However, one of the challenges we found in terms of using celebrities is 'Seek a balanced and strategical use of celebrities to enhance the luxury brand identity and experience without overshadowing the brands identity or compromising the brand values'. Burberry provides

examples of how celebrities can function as an injection of supportive values and brand ambassadors. The semiotic analysis of Burberry showed how British personalities from the creative class functioned as brand ambassadors of Burberry's products. Strategic use of celebrities that promote the product, functions as a way to frame a story around the product and connect their values to the product.

Therefore one should take the following challenges into consideration when creating product awareness using a product story strategy on Facebook:

- Try to create a product story that reinforces the luxury brand's balance between accessibility and exclusivity

- Seek to use Facebook's functions to create products stories that comply with online user needs e.g. through co-creation

- Explore Facebook's functions in terms of creating barriers that makes it more exclusive for the user to participate

5.3.3 A sensorial strategy

Luxury brands are to a high degree connected to a sensorial experience and stimulation of the senses according to Bøilerehauge (2012), Skjold (2012) and Aconis (2012). Appadurai (1986) agrees stating that luxury should contain a link to the body. We will in the following investigate sensorial experiences on Facebook.

Okonkwo states: *"A product has two dimensions: the tangible features that we can see, touch, smell, hear or taste; and the intangible features that we feel and experience."* (Okonkwo 2007: 129). This depicts both functional and symbolic benefits of the product. These benefits should

provide *"that which distinguishes the very good from the emotionally moving."* (Kapferer&Bastien 2012: 88). Going into the physical luxury store is most often a full-coated experience where you can feel, hear, see, smell and even taste the universe: *"…a luxurious feeling for me is when you buy a Louis Vuitton bag they will serve me a glass of champagne and a macaron from Ladurée. What kind of luxury treat will they give me when I shop online?"* (Aconis 2012). Aconis points to the challenge of e-commerce and we question if the e-communication face same challenges.

Bøilerehauge notes how Chanel prefers not to sell products online, because the offline experience is more luxurious today (Bøilerehauge 2012). Considering the importance of the sensorial offline experience, it arguably becomes apparent why luxury brands devalue the luxury brand characteristics, according to the anti-laws by Kapferer and Bastien (2012), when selling products online as the only physical senses represented is seeing and hearing. Bøilerehauge states that translating the offline experience to online is not possible: *"…if that's the service that you want your customer to experience you cannot do that online."* (Bøilerehauge 2012). Therefore one might say that Facebook will not be able to provide a full-coated sensorial experience that includes the stimulation of all senses. But Skjold does see some potential: *"I think the combination between the digital and the physical, could be much more explored…"* (Skjold 2012). Skjold suggests that luxury companies could send samples to customers to create a sensorial experience: *"And that's very exclusive you get it home, you feel the tactility, you can smell it and you can see the deepness of the colour…and that feels very luxurious."* (Skjold 2012). One can argue that providing this opportunity for all Facebook fans could become a costly affair, but a solution might be to post an update in relation to a product, e.g. a perfume, and say 'the first 150 likes will be rewarded with a sample of this perfume', and in this way expand the sensorial experience of the product by using Facebook as a tool.

Examples from our data collection show that many luxury brands encourage the user to visit the store and get the full experience of a product. The image below is an example from Burberry's Facebook brand page.

An example of how Burberry uses Facebook to redirect the user to the store to explore the product[93]

In above image, the product information is specific and it seems as if Burberry seeks to create a visual feeling of the product by using words such as *'burnt'*, *'brushed'* and *'compact finish'*. Burberry states that it is only available at Burberry 121 Regent Street, thereby encouraging the user to visit the store to explore the trench coat. One might say the phrase *'available exclusively at …'* emphasises the exclusivity of the product and might function as a teaser for the real sensorial experience in-store. The text creates associations to Burberry's core brand codes by employing words such as *'traditional'*, *'classic military trench coat'* and *'innovative'*.

'Behind-the-scenes' and 'the-making-of' videos are used by some luxury brands, as seen earlier. One might say that the videos add an extra layer to the online experience as it becomes

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[93] http://www.facebook.com/burberry?fref=ts

interactive and stimulating in terms of the sight and hearing. Feelings are arguably potentially easier portrayed through videos as music and talking can set the mood, while stimulating the sight. Thus, videos can be said to be relevant when seeking to create a partial sensorial experience activating more senses than other types of online material.

Arguably Facebook cannot provide a full-coated sensorial and emotional experience as found offline stated by Bøilerehauge (2012). However Facebook functions such as videos, stories, images and music, can create a teaser of what can really unfold if you visit the physical store and buy a product. Moreover, as Aconis states Facebook provides the possibility to communicate more in depth and one might say it can create stronger sensorial communication than *"…a print ad in Vogue."* (Aconis 2012).

Therefore one should take the following challenges into consideration when creating product awareness using a sensorial strategy on Facebook:

- Explore Facebook's functions to create a sensorial experience of a luxury product

- Seek to use Facebook as a teaser for the offline experience through storytelling and visuals i.e. videos and images

5.3.4 A sales generator strategy

Another example of creating product awareness on Facebook is to use the media as a redirection channel to sales. The anti-laws 'do not sell' and 'just sell marginally on the internet' by Kapferer and Bastien (2012) question this strategy. We will in the following look into this strategy to see opportunities and consequences it might posses.

Kapferer and Bastien state that Facebook is a good sales channel for entry products, if anything should be sold online (Kapferer&Bastien 2012: 252), e.g. 'old luxury brand extension' such as perfumes (Fiske&Silverstein 2003). Selling entry products can be a way to introduce a broader audience to the luxury brand universe, as it is more accessible in terms of price. Fiske and Silverstein (2003) say that these sales can create strong emotional bonds to new consumers, as the purchase is not dependent on class and exclusivity. Kapferer and Bastien (2012) state that this type of sales online does not ruin the dream. On the other hand Kapferer and Bastien argue that the barriers should be remained high for the online community (Kapferer&Bastien 2012: 252), hence insinuating that class and exclusivity still matters. Skjold states that using Facebook as a generator of sales is only favourable for some brands: *"…it really depends on the price level. Because if you sell something extremely costly, then you know that most group members on Facebook could never ever buy that. And you have to then brand that somewhere else…"* (Skjold 2012). Thomsen (2012) agrees with Skjold on this point, as he states that H&M can easier make connections to sales on Facebook due to the nature of the brand. Skjold points to the importance of having a clear strategy: *"So it depends on what you want to do on Facebook. Do you want to create a hype and a following? Or do you want to sell products?"* (Skjold 2012). One might argue that she point towards the different priorities luxury brands might have within the three main strategies we are dealing with in this research namely the communication strategy, the engagement strategy, and the product awareness strategy on Facebook.

Prada using Facebook as a sales generator[94]

The image above shows three different sales generator strategies on Facebook. Prada states how the consumer can purchase unique pieces in the Prada e-store. This might seem relevant, as the product is exclusively sold online and therefore Prada hits the tech-savvy consumers. Prada reinforces the luxuriousness of the product, by using words such as *'unique'*, *'limited'* and *'exclusively'*, but it might not convey characteristics and the story about the product i.e. the words might seem universal. However, Kapferer and Bastien argue not to sell this type of product online as it would lack intimacy in terms of sales people and the luxury consumer would not be acknowledged because of the e-shops anonymity (Kapferer&Bastien 2012: 83) On the other hand one could argue that Facebook takes away some of the anonymity due to its high level of self-presentation (Kaplan&Haenlein 2010), but arguably the e-shop will remain anonymous as Facebook in this example is a link to arrive at the e-shop.

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[94] http://www.facebook.com/Prada?ref=ts&fref=ts
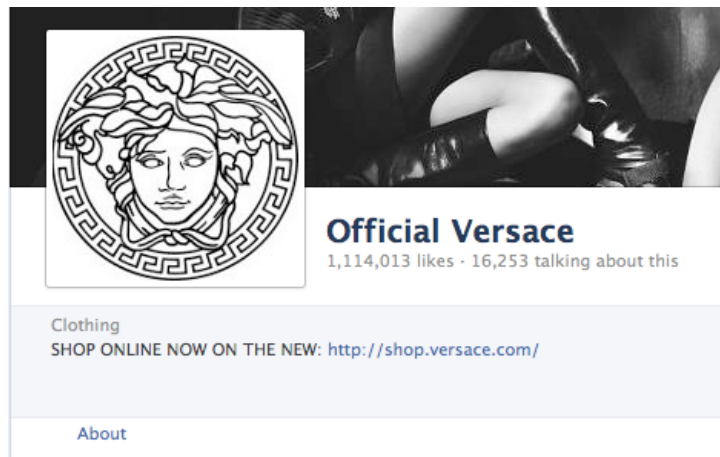
Versace using Facebook as a sales generator[95]

In above image Versace redirects to their e-shop in the field providing space for a small brand description positioned in the top of the brand page. Examples from the semiotic analyses shows how this space can be used to frame the brand, e.g. Burberry writes: *'Burberry is a 156 year-old global brand with a distinctly British attitude',* and H&M writes: *'Fashion and quality at the best price'.* According to Kapferer and Bastien (2012) Versace compromises their exclusivity over driving sales, as Versace spells out in capital letters that the brand is available 'right here'. On the other hand it could also be an attempt to make sure that the Versace products, i.e. the Versace experience, is purchased through their own channels. It is impossible for us to say if the brand has experienced devaluation through external sales channels and in an attempt of protecting the luxury brand deems it important to refer to their own sales channel, namely *'http://shop.versace.com/'.*

Acne provides another example of using the sales generator strategy on Facebook. As seen in the semiotic analysis Acne makes use of their Facebook brand page to redirect to their e-shop and inform users about their products. This reinforces Acne's mantras mentioned by Schiller 'product is king' and 'without the good product Acne would not have the right to exist'. Due to the fact that Acne is a relatively young brand and that they don't have the same type of heritage as other luxury brands and that it is in their nature being 'product focussed' one might argue that therefore it makes sense for them to use Facebook as a sales generator. On the

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[95] http://www.facebook.com/versace?ref=ts&fref=ts

other hand one might question if Facebook is a prioritised channel in terms of implementing an editorial level and thereby actively seeking to create strategies for the use of this media. We argue throughout our research that Acne could extend their Facebook experience hence work with different strategies such as a product story strategy.

Therefore one should take the following challenges into consideration when creating product awareness using a sales generator strategy on Facebook:

- Seek to understand which types of products that is eligible to the sales generator strategy on Facebook in order to maintain exclusivity

- Try to convey brand-specific codes in the communication in order to not make it a universal link to an e-shop.

5.3.5 An after-purchase strategy

The last product awareness strategy is the after-purchase strategy. Kapferer and Bastien (2012) state: *"A luxury purchase is a lengthy act"* (Kapferer&Bastien 2012: 239). It consists of 'the pre-purchase', 'the moment of purchase', and 'the after-purchase'. The moment of purchase in the actual store is where the sensorial experience truly can unfold, as mentioned in previous section. Nevertheless, Facebook can arguably be used in the after-purchase, where consumers seek confirmation that it was the right choice of purchase and affiliation in the luxury brand universe, which Aconis deems important (2012).
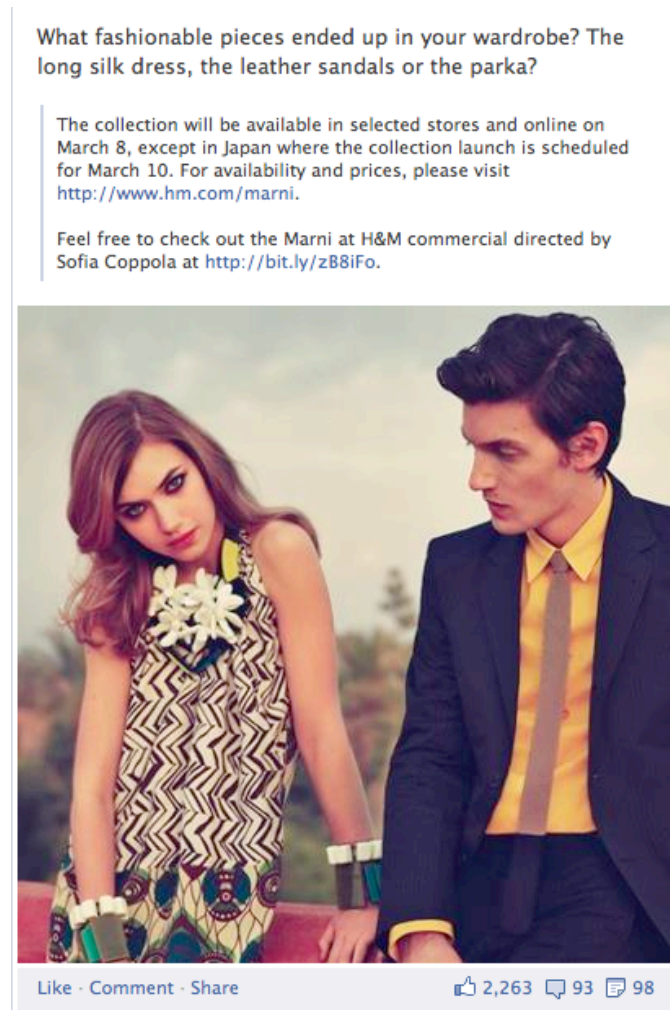
The image shows how 'Marni at H&M' uses Facebook to create after-purchase communication[96]

In the image above H&M asks the consumers which item from the 'Marni at H&M' collection ended up in their wardrobe. H&M creates an exclusive community for those who bought something from the 'Marni at H&M' universe. The Facebook post draws connotations to the Veblian effect in the sense that H&M manages to create a barrier of participation. The limited nature of this collaboration emphasises the barrier H&M put up for participating in this post and adds exclusivity to the 'Marni at H&M' masstige brand. Nevertheless, the communication is at a participatory level encouraging dialogue and thereby making use of the nature of Facebook to create affiliation in the masstige brand universe. Arguably 'Marni at H&M' creates a community feeling for those who bought something, which covers user needs of connecting

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[96] http://www.facebook.com/hm?fref=ts

and feeling belonging. Despite the fact that this seems successful in the case of H&M, this chatty or conversational after-purchase strategy might not work in favour for a luxury brand.

One might suggest Facebook to be used for customer care, but the luxury brand would have to consider if this matches the luxury brand identity and if they have the means to maintain a large 'customer service centre' e.g. in Burberry's case it would arguably have to provide service for 14 million users. In terms of the brand identity for a fashion luxury brand one might question the signal it sends for all the other users when people make a claim in relation to a damaged product on the wall of the Facebook brand page. Further it raises a question if Facebook should be a means to communicate to the many or communicate to the individuals? It must be said that Facebook also offers the opportunity for users to write private messages for luxury brands. One might argue that this equals the general emails. However it poses a less organised system considering that they would receive emails of different character at the same destination e.g. job applications, product claims.

On the other hand a different type of after-purchase strategy for luxury brands could be creating a community for the many e.g. the 'art of the trench' by Burberry.
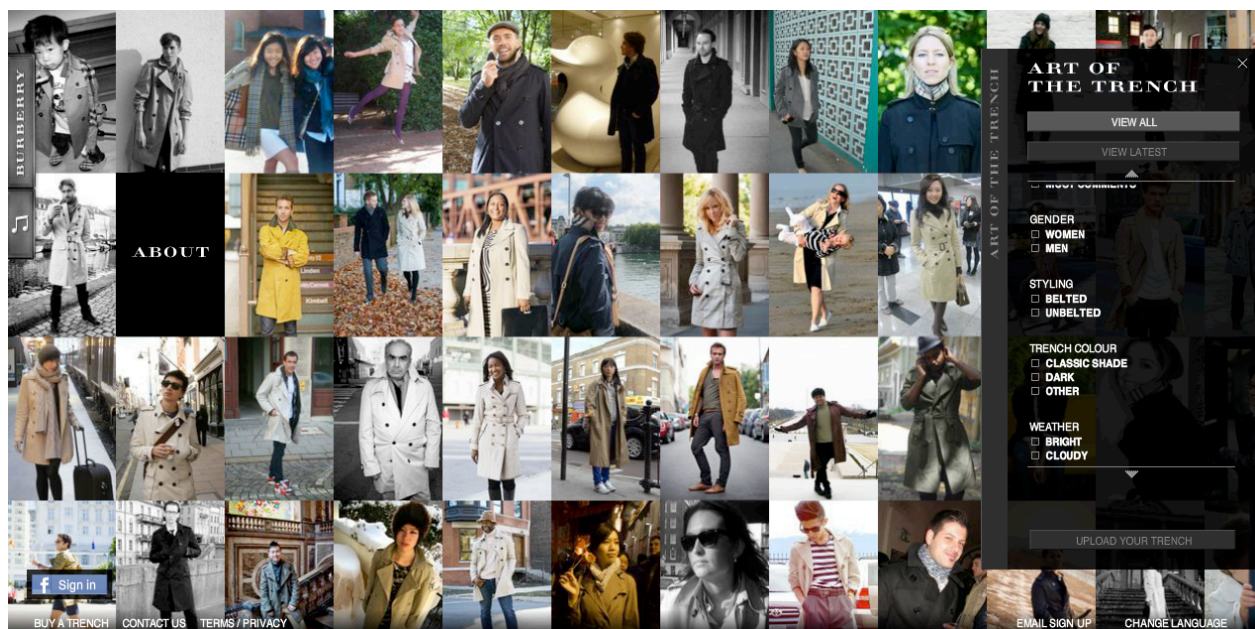
A screenshot from the 'art of the trench' community by Burberry[97]

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[97] http://artofthetrench.com/

It is a visual community where people can post photos of themselves wearing their Burberry trench coat and look for others sporting a trench coat. Aconis proposed this strategy for brands like Burberry without knowing the existence of 'art of the trench': *"Wouldn't it be awesome if a part of the Burberry Facebook experience was a Burberry site devoted to blog photos of people sporting their fantastic … Burberry trench coat."* (Aconis 2012). This type of community exists on different premises than the Facebook post by H&M, as the 'art of the trench' community requires images, which can be a potent way for luxury brands to show connotations, and might be a long-term community whereas 'Marni at H&M' is a temporary community framed in a Facebook post. Common to both communities is that the user needs for brand affiliation are met and the barrier to participate is having purchased an item. Further the 'art of the trench' covers user needs for self-expression, connecting and feeling belonging (Porter et al. 2011, Wave 6 2012, Singh et al. 2012). Porter et al. (2011) argue that meeting these needs are ways to create active user engagement and relationships.

Contact Info

Website   http://www.burberry.com
http://www.artofthetrench.com
http://www.facebook.com/burberry
http://www.twitter.com/burberry
http://www.youtube.com/burberry

Burberry links from their Facebook brand page to their other social media platforms[98]

Above example shows Burberry's range of social media platforms and suggests that it is possible to have more than one community on social media and integrate them with other each other. An example of this is seen in the image portraying 'the art of the trench' community where Burberry has placed a Facebook button in the lower left corner. Arguably the purpose is to create traffic between the two platforms. One might argue that it demands quite a high level of control and strategic synergies being on more than one platform, as the luxury brand should be aligned across all platforms. This may also demand a high level of resources e.g. time, funds, and human labour. On the other hand it could arguably be a long-term

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[98] http://www.facebook.com/burberry/info

investment for accommodating present and future user needs. The luxury brand should consider the advice by Kaplan and Haenlain (2010) 'choose carefully', as they argue that it can be a challenge to be dedicated on many social media platforms. Kaplan and Haenlain also point to the fact that it requires resources to be on a social media platform and that one should be careful not wasting these on a platform, which does not benefit the brand (Kaplan&Haenlein 2010). The anti-law 'dominate the client' by Kapferer and Bastien (2012) and the nature of luxury might emphasise the advice 'chose carefully' by Kaplan and Haenlein (2010) because of luxury brands need to stay superior and the tightly controlled illusion.

Therefore one should take the following challenges into consideration when creating product awareness using an after-purchase strategy on Facebook:

- Seek to create an after-purchase strategy that matches the luxury brand identity

- Seek to create online communities restricted to purchasers in order to allow them to flaunt their belonging and feel connected to the luxury brand universe

- Explore what kind of after-purchase community the users want to engage in

- Try to match the luxury brands resource level with the type of after-purchase community

The potential ways of creating product awareness seem to be based on a common premise: know your brand identity, know your audience and know the product that is being promoted. We have based on our online data collection mapped four different types of product strategies for Facebook namely a product story strategy, a sensorial strategy, a sales generator strategy and an after-purchase strategy. It seems to be a more practical and hands-on task than the previous two in our main analysis.

In order to create coherent and controlled product awareness one might say that it should be based on the communication strategy on Facebook, which conveys the luxury brand identity, and the engagement strategy, which establishes the type of brand user relationship. Our findings show that Facebook can be a favourable platform for luxury brands to create product awareness if above mentioned is determined.

Throughout the report we have observed challenges and opportunities, which have sought to steer away from the out-of-control issues (Schneiderman 2011) and to some extent 'dominate' the potential WOM. On the other hand it might be dangerous for luxury brands to control too much and not listen to the societal changes and changes in the online environment e.g. new functions, new interaction types, and new social media platforms. The first advice by Crandell (2012) sums up this challenge: 'Listen, analyze, and engage, continuously'.

6.0 Discussion

Facebook is a social media platform in constant development and continuous growth. Not only in terms of the increasing amount of users[99] but also in terms of the expansion of online functions[100]. The future of Facebook and its potential consequences for luxury will be discussed in the following.

The Facebook administration has recently leaked news about the integration of a 'want' button on Facebook (Thomsen 2012). The 'want' button will allow users to click 'want' to a product on a Facebook brand page, which is then posted on the user's Facebook wall and the social network's news feed. The purpose is to enable users to create a wish list on Facebook and purchase the products directly on Facebook[101]. This will create bridge between promoting products on Facebook to actually selling them. The 'want' button will arguably increase the level of self-disclosure, as a new kind of personal likes in terms of product 'wants', will be

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[99] http://newsroom.fb.com/Key-Facts
[100] http://newsroom.fb.com/Timeline
[101] http://www.forbes.com/sites/mattmiller/2012/10/09/a-facebook-want-button-is-a-scary-idea-for-users/

revealed on the social network and is thus a new way of portraying oneself to the social surroundings. Being able to buy directly from Facebook will change the construction of the platform, as it will add a functional element to the otherwise 'social' media. An application like this could create competition to online retailers such as Amazon.com and make Facebook more powerful in terms of information and usage than it already is, e.g. according to Aconis (2012) Facebook is becoming the primary search engine and L2 Think Tank even defines Facebook as the Internet (Galloway 2011: 2). If buying products on Facebook becomes available information such as address, which has been an option for users to add up until today, will most likely become a common thing for users to give Facebook, and then credit card numbers will follow like on Amazon. All this will make Facebook very rich on customer information.

Considering the changing structures of Facebook the question of how this will change luxury brands on Facebook becomes relevant. Will luxury brands have to redefine themselves according to the enhanced accessibility on Facebook? Does the anti-laws by Kapferer and Bastien still count or must they be redefined? Will luxury still be luxury if it becomes even more accessible?

Luxury brands have arguably been affected by the democratisation of the media landscape including Facebook as a phenomenon. Luxury has experienced new levels such as masstige, accessible superpremium, arguably due to a broader audience and empowered middle-class. If society changes one could argue luxury will too because of its connectedness to the social construction of society.

Facebook will change in terms of new functions and needs in the community, as mentioned above. Does luxury have the luxury to exit Facebook if it changes in unfavourable ways? Or will the perception of luxury change in accordance with new users being raised on Facebook and social media? We have a hard time believing that luxury brands should leave the media behind considering the exposure and importance Facebook facilitates. Then we would argue that something drastic should happen to Facebook.

Provided that luxury brands stay on Facebook including new changes such as the 'want' button it could become crucial to the rethink the stand towards the anti-laws, to mention a few

'dominate the client', 'do not pander to your customers' wishes', 'keep non-enthusiasts out', 'make it difficult for clients to buy', and 'just sell marginally on the internet'. The relationship between luxury brands and luxury consumers would be particular interesting. Aconis (2012) says luxury brands ought to use the customers more. Rinaldi (2012) and Bøilerehauge (2012) stress that luxury brands should know more about their customers. Both arguments speak in favour of the nature of Facebook and less in favour of the anti-laws in luxury. One could argue that by 'dominating the client' luxury brands have always 'used' the consumers, but not in the sense Aconis (2012) refers to, namely involving users in the luxury processes – co-creation, which Thomsen (2012) also speaks in favour of. The way luxury brands have been 'using' consumers to spread the dream can be hard to maintain on Facebook if luxury brands not at least simulate two-way communication. In order to simulate communication they arguably have to know more about the consumers in order to connect and manipulate an 'illusion' of two-way communication, as Rinaldi (2012) and Bøilerehauge (2012) proposed. These customers are now the users online, who 'use' the luxury brands, and not the other way around. The technological innovations and implementation has in this way marked a shift in the power structure between luxury brands and users, and represents the next generation of luxury clients and a new kind of relationship. This new kind of relationship is affected by the digital accessibility, which will in the long run change and develop the management of luxury brand and the strategies, i.e. the anti-laws by Kapferer and Bastien and the luxury pyramid. Nevertheless, the perception of luxury will change in a relatively slow pace in accordance with the new generations being brought up. However, the relevance of this research and its advices are crucial for luxury brands right now, in order to create understanding of how to bridge the gap between their luxuriousness (as long as luxuriousness is considered this way) and the constant technological development within social media that enhances accessibility and possibly devalues the exclusivity, and make luxury brands ready to approach the potential paradigm shift sketched above.

7.0 Conclusion

The purpose with this thesis has been to find out: *"What are the premises for maintaining luxury brands in a social media era?"* The problem statement has been approached from a luxury brand management viewpoint and investigates if Facebook can be a favourable platform for luxury brands from three different aspects: the luxury brand identity, brand user relationships, and product awareness. In the following we will present our findings and key premises for maintaining luxury brands in a social media era.

Luxury brand identity

Never compromise or change core values of the luxury brand identity when communicating on Facebook

Facebook is a two-way communication platform for the masses, which emphasises accessibility. Luxury brands are by nature inaccessible. This contradiction underlines the importance of above premise about not devaluating the luxury brand identity on Facebook.

Our findings underline that a challenge for luxury brands is to figure out how to make Facebook an exclusive experience that reinforces the luxury brand identity. By incorporating Facebook in the overall communication plan, luxury brands can place Facebook in line with other communication channels and create synergies between offline and online luxury brand communication. A pitfall for luxury brands if not communicating the luxury brand traits is to be positioned side-by-side with mass-market brands. To position the luxury brand as luxurious, the luxury brand should determine its values and use these actively in the communication, and thereby seek to make Facebook a luxury brand extension. The nature of luxury might argue that luxury brands are not comparable, but Facebook arguably changes this notion considering the equal access, space, and terms for brands. Moreover, Facebook has a high level of transparency that can make vague social media strategies stand out. This requires that luxury brands communicate luxury values through Facebook's interactive functions e.g. images, text, and videos, with attention to core values in order to create an extended luxury brand experience.

Findings show that material should be edited in order to make it an integrated part of the luxury brand universe and enhance the luxury values. This could be done by reinstituting a traditional journalistic filter such as an online editorial filter that ensures that content reinforces the luxury brand identity. Therefore a challenge is to create Facebook material and not just copy-paste traditional media material onto Facebook, as Facebook's functions offer a way to create deeper and more complex stories about the luxury brand than traditional media. We have looked upon three potential ways of communicating the luxury brand identity on Facebook namely closeness to the arts, using celebrities, and inviting the user backstage. These methods can be regarded as representative examples of communication tools that can function as ways of strategically creating a handcrafted experience on Facebook that enhances the luxury brand identity. The opportunity of creating a luxury brand experience on Facebook is to educate the users in the luxury brand by creating complex stories while making them feel connected. The challenge is to balance the level of self-disclosure to maintain the luxury brand identity on Facebook, i.e. how much personal brand information can be revealed while staying elevated? The elevation, aspirational, and superior characteristics are arguably what makes the luxury brand worth dreaming about.

Facebook offers a vast amount of tools to convey the online luxury brand identity and can function as a favourable luxury brand extension. The challenge is to create a communication strategy that communicates the luxury brand identity on Facebook.

Brand user relationships

Convert Facebook users into valuable luxury brand assets by activating them as engaged brand ambassadors

Luxury brands face challenges when creating an engagement strategy on Facebook. It seems to be a difficult area for luxury brands on Facebook due to the equality that comes with two-way communication. Luxury brands are forced to accept that an action has reactions on Facebook and the power of the online user, reinforced by a communication loop in the IMC process model. This emphasises the importance of creating an engagement strategy that fits the luxury

brand and its identity. One of the challenges when creating an engagement strategy is to figure out how to segment the online users. Who are the users, what engages them and how can they add value to the luxury brand? The communication loop and reversed power structures on Facebook may pose a challenge for luxury brands when creating relationships on Facebook. This may for some luxury brands underline the need for creating boundaries in terms what content the luxury brand will moderate or remove from their Facebook brand page. Integrating boundaries in the engagement strategy should be carefully considered, as they should be of relevance to the luxury brand identity in order to come across as credible, which is an important element of generating WOM. Social media seeks to remove barriers to participate. However, luxury brands can try to maintain their exclusivity by reinforcing barriers to participate through semiotic codes or technical functions of Facebook. This would arguably benefit the savvy consumer by allowing him or her to feel connected in an exclusive universe. On the other hand luxury brands should keep in mind to communicate the dream to the many, so it becomes valuable for the 'few'.

One might say that a luxury brand should understand how to activate their users as valuable assets to the luxury brand in order to exploit the communication loop. This can be done by creating material that complies with user needs and thereby seek to create favourable reactions for the luxury brand, such as WOM, UGC, likes, shares, comment. The reaction can speak in favour of both the user in terms getting online needs covered, and for the luxury brands in terms of promoting the luxury brand. One might say that that in order to create brand ambassadors who generates favourable WOM it is relevant that users perceive the Facebook community as credible and that they can connect and feel belonging. Our findings show that co-creation can cover the need for feeling belonging in a community. From a luxury brand management perspective co-creation should arguably not be an endless world of possibilities e.g. the luxury brand can create a co-creation strategy that only allows the user to chose between A and B. The potential need for controlling two-way communication on Facebook does not only count for co-creation. Findings show that staging an illusion of two-way communication speaks in favour of PSI, which arguably covers online user needs while

maintaining the luxury brand values. The challenge is to stage this tool of control in a believable manner in order for the luxury brand to maintain credibility on Facebook.

Facebook can arguably be a favourable social media platform for creating relationships for luxury brands if they can control its message by creating boundaries, barriers and understand which users add value to the luxury brand identity in terms of e.g. generating WOM.

Product awareness

Deepen the users' understanding of the luxury brand identity through iconic product stories, exposure and experiences, creating a more educated and therefore engaged brand ambassador

Findings show that when creating product awareness for luxury brands on Facebook it is relevant to establish representative elements from the luxury brand identity, and incorporate these in the product awareness strategy to create coherence. Our findings show four dominant strategies of creating product awareness on Facebook among luxury brands namely a product story strategy, a sensorial strategy, a sales generator strategy, and an after-purchase strategy. The method of the strategies differs but the aim can be generalised to be a way of deepening the users' understanding of the luxury brand identity. By editing the material and creating iconic stories, product exposures, and experiences, the luxury brand can educate the users and makes them worthy brand ambassadors. Luxury brands should make use of these strategies to create product stories that reinforce the luxury brand's exclusivity on an accessible channel as Facebook. The importance of creating a coherent product awareness strategy is emphasised by the communication glitch fantasised identity, the brand image trap and the product attribution fixation trap. Moreover luxury brands should seek to comply with the user needs e.g. information, belonging, connecting, and self-expression and build synergies to the criteria mentioned in the engagement strategy that seeks to create beneficial relationships and luxury brand ambassadors.

Product awareness through Facebook seems to show that success is to a large extent dependent on the communication strategy seeking to convey the luxury brand identity on Facebook and the engagement strategy seeking to create relationships to users on Facebook. Thereby the synergies of activities on Facebook are important for luxury brands to use Facebook as a platform to create product awareness.

In conclusion, when taking a luxury brand online and into the community of Facebook it is important to determine how the luxury brand strategy can be converted into an interactive and luxurious social media community experience that not only expands the total luxury brand universe for the users, but also engages them as educated and active brand ambassadors

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9.0 Appendix

- Appendix 1 – Interview with Thomas Thomsen

- Appendix 2 – Interview with Anthony Aconis

- Appendix 3 – Interview with Dorrit Bøilerehauge

- Appendix 4 – Interview with Else Skjold

- Appendix 5 – Interview with Francesca Rinaldi

- Appendix 6 - New luxury caters to the middle class*, CNN*

- Appendix 7 – Defining earned, owned, and paid media, *Forrester*

- Appendix 8 - What Do the Extinction of Dinosaurs and Social Business Have in Common?*, Forbes*

- Appendix 9 – Flawsome – why brands that behave more humanly, including showing their flaws, will be awesome, *trendwatching*

- Appendix 10 – Trust in advertising – Paid, Owned and Earned, *Nielsenwire*

- Appendix 11 – New Facebook Timelines Will Benefit Luxury Brands

Appendix 1

Telephone interview with Thomas Thomsen

October 15, 2012

TT: Thomas Thomsen

I: Interviewer

I: Taking the traditional understanding of a luxury brand into consideration, how would you define the modern luxury brand?

TT: …Det var så allerede et bredt spørgsmål. Men et moderne luksus brand det er vel et der i primær grad henvender sig til de 5 procent trendsettere, også digitalt… og så følger resten med og køber brandet også. Det er sådan min forståelse for det, det er nok de der luksus brands de handler med tanken kun til få personer… men de få personer det er deres ambassadører… som de måske putter penge efter og så tjener de på de 95 procent der følger med.

I: Okay, perfekt. Men hvad så hvis vi tænker lidt mere i forhold til opfattelsen af det… altså sådan luksus generelt måske… også meget livsstilsmæssigt osv.

TT: Jamen så tror jeg det er nogle der gerne vil brande sig selv med, altså man kan jo sige at det gør man specielt med de sociale medier. Der lever vi i en verden hvor man meget gerne vil personligt brande sig selv… Så jeg tror navnet i forhold til luksus brands betyder jo rigtig meget i dag fordi vi vil gerne fortælle de andre at vi kommer de rigtige steder, på de rigtige tidspunkter, med de rigtige brands. Så de bliver helt klart brugt til personlig branding.

I: How is social media relevant for luxury brands?

TT: Jamen jeg tror da helt klart det er meget relevant, men jeg tror også de skal gøre det med omtanke, fordi der er selvfølgelig også fare for at få ridser i deres navn og deres markedsføring

når man dukker op som man gør i sociale medier. Fordi grundstammen i sociale medier er jo netop at det er på brugernes præmisser… så det skal man selvfølgelig være indstillet på, også når man som luksus brand går ud og siger det er det der image man gerne vil have, er det så også det man har i brugerne bevidsthed? …fordi at det kommer helt klart til syne når vi først går ud i en så åben og transparente medier, som de sociale medier nogle gange er.

I: Ja, så man kunne faktisk også godt sige at hvis nu der var mange forbrugere der ikke kendte til et luxury brand, ville det være en god måde at få deres image ud og deres identitet ud?

TT: Ja, bestemt bestemt. Altså det er jo en fantastisk kanal til at få fortalt den historie, som mange brands jo pakker deres produkt ind i, det er jo en stor story telling… og de kan markedsføre sig igennem de rigtige personer på de sociale medier. Så det kan være en fantastisk branding kanal for dem, og det kan være en fantastisk kanal at få fortalt de rigtige historier og de eneste. Men der er også fare ved det… det er på brugernes præmisser det her medie. Men det er helt klart relevant, altså det er faktisk et must at de skal være der i dag.

I: How should luxury brands use Facebook as a branding and communication tool?

TT: Ja, det der er det væsentlige, det er at de i første omgang kun ser at de her på Facebook eller LinkedIn eller hvad det nu kunne være af andre sociale medier, at de kun ser det som en teknologi… Så det tror jeg er det væsentligste. Rigtig mange virksomheder, de begår den fejl eller de hopper på vognen og tror lykken er gjort når man hopper på Facebook. Men for at gøre det rigtigt så skal de have det helt med op i deres medie- og kommunikationsstrategi… Og helt op i brugerdrevet – vi kalder det brugerdrevet innovation. Vi har faktisk en model over hvordan vi kan inddele de her ting over hvordan en virksomheds tilgang skal være til at starte op på sociale medier. Så vi bruger rigtig lang tid inden de går i gang med de sociale medier på at finde ud af hvordan vil vi i grunden være der, og hvordan får vi fortalt den der gode historie, og endnu en ting – hvordan får vi vores kunder til at fortælle den der gode historie videre?

I: Which brand challenges should a luxury brand be aware of when entering into a social media context?… det er jo meget det vi allerede har været inde på.

TT: Ja, det har vi været lidt inde på. Men de skal selvfølgelig være klar over at det er på brugernes præmisser, så hvis de forsøger at udgive sig for noget de ikke er, eller… ikke kan leve op til de historier de fortæller omkring sig selv, jamen så bliver det jo også gennemskuet. Altså hvis man nu finder ud af at nogen af dem får produceret via børnearbejdere ovre i Kina, jamen så kan det være et gevaldigt selvmål at stå som en eller anden miljøforkæmper for de for globale luksus brand.

I: Så sociale medier er faktisk også en måde at skabe transparens og en ensartet strategi, så man kan ikke bare sige noget og så gøre noget andet?

TT: Det er transparent – det kan man ikke komme uden om. Altså hvis man tror man kan dirigere brugeren, man kan måske til en hvis grad manipulere et budskab langt hen ad vejen, men det vil på et eller andet tidspunkt blive så transparent… og det, ja, har vi jo set måske på Telenor-sagen eller hvad det nu kunne være.

I: What are the risks and challenges for luxury brands when using social media to build their brands as opposed to more traditional media applications? Altså i forhold til det traditionelle. Så hvilke risici er der dér?

TT: Jamen, risikoen det bliver et gentagelse af mit svar, men altså risikoen er at de ikke forstår det nye medie, det er en stor risiko for dem. Hvis man tror man kan slippe af sted med en-vejs-kommunikation i det her medie, så tager man som regel fejl. Jeg vil dog sige at der er nogen der har så stort et brand image, at de bare får en masse likes fordi er det brand de nu engang er. Men hvis de ikke kan skaffe gevinsten hjem, så plejer vi at sige at de skal lære at tænke socialt. Og det vil sige at de lige pludselig skal tænke deres kunder, deres ambassadører ind før, under og efter de lancerer et eller andet. Og det vil sige at vi måske faktisk allerede i udarbejdelsen af deres nye tøjkollektion eller hvad det nu kunne være, så skal de måske inddrage brugerne der allerede, altså et niveau før, så de skaber ejerskab tidligere i processen. Og det tror jeg da for mange af de her brands for modeskabere kunne være noget af en udfordring.

I: Is there a contradiction between the elitism and exclusiveness of a luxury brand and the ultimate democratic nature of social media? Ja, modsætningsforholdet mellem de to.

TT: Jamen det er der jo et eller andet sted, fordi et eller andet sted så er det jo nede i gulvhøjde de sociale medier, så det er nede på allemandseje… og så i forhold til at man måske skal tage særligt højde for de 5 procent man gerne vil have som sine ambassadører eller sine brandkæmpere, så vil der vel altid være et eller andet med hvordan man kan blive ved med at bevare sine luksus brands, når man lige pludselig bliver allemandseje på det her niveau. Så vil der altid være et eller andet dilemma.

I: As traditional luxury branding theories seem to be very dependent on exclusive yet traditional media platforms, how does social media – in your opinion – propose an opportunity and/or threat for current luxury brands? Det er lidt det samme igen, men hvordan kan det give en ekstra mulighed udover det traditionelle.

TT: Det der er de ekstra muligheder her det er at de kan skabe en synergi og så kan de skabe en anden form for product placement igennem de personer de nu også ser i andre ting. Altså det er jo klart hvis de rigtige personer skriver synes godt om ved Dom Perignon eller nogen de skriver "vi elsker Dom Perignon", og har I set der nu er frigivet så de kan få den der værdi der ligger i mund-til-øre-metoden, altså at det er venners anbefalinger – de prisgiver nogle brands, og lige pludselig betyder det rigtig meget mere hvis de kan få de rigtige personer til det vel at mærke. Men altså de forplejer deres ambassadørkorps på en helt anden måde end man måske har kunnet tidligere, og kan følge om det giver noget og hvad er værdien på grund af det.

I: Ja, så du har også set det når du sidder med sociale medier-strategier, at når f.eks. en liker, lad os sige det er en af de her ambassadører, så dens persons sociale netværk begynder også at like det brand mere på grund af dette?

TT: Ja, sådan er det. Hvis man kan kalde det et luxury brand, så Ruths Hotel i Skagen f.eks., som er en af dem jeg rådgiver, jamen der har vi simpelthen f.eks. udnævnt et helt ambassadørkorps, hvoraf jeg selv er en af dem, og det er nogle af dem der har været mest aktive på Ruths Hotels Facebookside. Så man også har været inde og vurdere og sige de er nogle trendskabere eller de sidder i nogle store koncerner, hvor det er interessant at have nogle ambassadører, så der bruger man dem strategisk, og sjovt nok – de tolv mennesker der sidder der, de skriver sørme altid pænt om Ruths Hotel, til gengæld får de også et gratis ophold på Ruths Hotel engang imellem, altså så man på en eller anden måde begynder at belønne sine ambassadører. Det kan man sige, det er bare i den lille størrelse, men de helt store kendte personer de får det jo betalt på en helt anden måde…

I: Ja, og det ser man jo tit i luksus i hvert fald. At der bliver lavet f.eks. VIP arrangementer osv. for de samme gode kunder. Ikke nødvendigvis en bevidst strategi mht. I får det her og så gør I det her, men også at 'I er særligt gode, så I er inviteret til noget…'

TT: Sociale events og til gengæld for I også lov til at gå i vores tøj og I får også vores champagne gratis og sådan noget. Det er dem vi plejer at kalde de fem procent man belønner og betaler for at trendsætte mærket. Og så skal man tjene penge på de 95 procent. De køber alle sammen Lacoste t-shirts fordi det har ??? (11:10). Men de fem procent de spiller i Lacoste t-shirts og Lacoste tøj og får foræret alt det, dem tjener vi ikke penge på, men vi tjener på alle de der, der gerne vil ligne dem.

I: How should luxury brands apply social media in their marketing strategy differently than mass-market brands? Altså om der er nogle andre metoder de skal bruge.

TT: Jamen, det var lidt det jeg var inde på. De skal lære at tænke socialt. De skal lære hvordan de tænker brugerne ind et niveau tidligere end de har gjort tidligere. Og hvis de kan skabe det ejerskab i processen i produktet, i valg af events eller hvad de nu laver, de kan man selvfølgelig godt give… og siger vi man kan godt manipulere, man kan give brugerne mellem a og b i stedet for at give totalt åbent valg. Man kan give dem valget mellem a og b, og der være med til at

netop bestemme hvor skal de gå henad. På den måde så har man allerede skabt et ejerskab. Altså det vi gør på mange af vores sider eller dem vi skriver noget for, det kan være når vi skal lave efterårskollektion skal det så være de her to farver eller skal det være de her to farver. Vi har sådan set lidt bestemt hvor vi skal hen imod, men brugerne får lige pludselig lov til at være en del af det: "Hold da fast, jeg har selv bestemt det skal være røde bukser der kommer ud i butikkerne i næste uge." …eller hvad det nu kunne være.

I: Så de sætter i højere grad nogle ultimatum op, men inkluderer stadigvæk.

TT: Vi laver brugerinvolvering, men planlagt brugerinvolvering.

I: Så der bliver fokuseret på nogle specifikke brugere?

TT: Det gør vi også helt sikkert. Nogle gange så ved man godt hvad afstemningsresultaterne kan blive inden vi slår det til, så…

I: What kind of relationships should luxury brands aim at creating using social media? Altså er det sådan… du ved det kan være mange forskellige slags, men skal det være på lige fod eller mere…

TT: Det skal det ikke. Vi arbejder selv med det sådan i flere niveauer. Vi lavet sådan en model med nogle ringe. Vi kalder dem brand value, hvor vi har forskellige definitioner af hvad er det for nogle likers vi har på siden. Den første vi arbejder med er dem der bare har fået kendskab til vores brand, det er dem der måske bare har været inde og trykke like fordi der har været en konkurrence eller fordi at venner har gjort det eller et eller andet. Men de har trods alt set vores brand og ved vi eksisterer i mediet og er til stede her på en eller anden måde, og derved er med til at sprede vores budskab. Når vi så har den der kendskabsgrad, så skulle vi gerne have gjort dem til tilskuere, og det vil sige den kommunikation vi efterfølgende har med dem skulle gerne gøre at de gider at interagere med vores løbende kommunikation og deltage i de debatter og afstemninger og hvad vi nu ellers laver for dem. Og de mest eksklusive er vores

tilskuere, dem gør vi som regel til en eller anden form for ambassadører. Så ser vi at dem der, de er åbenbart nogle der sætter trenden indenfor det her eller de skriver meget pænt om os eller et eller andet, så lad os belønne dem med et eller andet ekstra, dem der vores ambassadører. Så dem går vi så simpelthen ind og kontant belønner, og siger de her de gør det godt for os lad os da bare betale dem lidt for det.

I: Så det handler om at skabe de der relationships, der fremmer brandets kendskab i det sociale netværk?

TT: Bestemt. Og så har vi den sidste gruppe. Det er dem der laver decideret brugerdrevet innovation. Altså det er dem der også er med til at give os de nye gode ideer til hvordan kommer vi i grunden videre, har vi de rigtige produkter, har vi de rigtige åbningstider, sælger vi på de rigtige salgskanaler og sådan noget. Og jo bedre vi er til at skabe de relationer til nogen af kunderne, jo større værdi får de for vores Facebookside.

I: Så for et luksus brand der ville det bedste faktisk være at få de der allerhøjeste, så man kan få rigtig dyb indsigt i hvad kunne vores kernekunder eller mest loyale kunder godt tænke sig.

TT: Ja bestemt, men også… de går med til at sætte trenden på hvad er det i grunden vi gerne vil have som forbrugere.

I: What should a luxury brand be aware of when building customer and stakeholder relationships on Facebook? Det er lidt det samme igen. Men er der nogle risici eller faldgruber eller et eller andet?

TT: Der er jo den risiko at de ikke får plejet dem rigtigt, altså ikke nok, at man ikke gør det med det åbne sind, som man bør gøre. Den risiko er nok. Altså hvor man har sin Facebook side og man ikke får brugt den så. Altså der ser vi desværre også rigtig mange. Og det er faktisk nogle af de kendte brands, fordi de netop trækker likere til bare fordi de er et kendt brand, men siden er

rent faktisk død. Det kalder vi Facebook's kirkegård– en side hvor der ikke sker noget på. Det er bare en gravsten.

I: Should consumer engagement on social media differ between different types of luxury brands? (Considering H&M-Marni, Burberry, Acne and Prada) F.eks. vores cases Burberry, H&M-Marni, Acne og Prada.

TT: Det tror jeg helt sikkert. Det er noget andet hvis du er H&M, der er du nok lidt mere nede på det lavpris niveau, hvor du kan gå helt ned og sige 'er det den her vi skal have på udsalg eller er det den her vi skal have på udsalg i morgen?'. Og de kan også godt lave noget med outlet og sådan noget. Det kan de store brands ikke helt. Altså de skal… H&M bruger også de store navne nogle gange..

I: Det gør de, men de er stadig meget high-street.
TT: Ja, så det er lidt forkert at sige. Men jeg tror faktisk Hennes og Mauritz kan slippe af sted med flere ting end for eksempel Prada kunne i det her medie.

I: Så der ville samtalerne på selve Facebook siden måske også forme sig derefter?

TT: De ville også forme sig derefter. Hennes og Mauritz kunne godt lave en kampagne på sociale medier, der hed 'street wear', hvor man tog billeder og sådan noget. Det tror jeg man ville have sværere ved fra Prada af, fordi man kunne risikere der kom noget op, som ikke sendte det rigtige signal i forhold til det brand de havde.

I: Men der kan man jo sige at det har Burberry faktisk formået at gøre med deres 'Art of the Trench'. Det er godt nok på deres hjemmeside. Men det har de faktisk fået gjort...

TT: Og det kan også godt lade sig gøre, jeg siger ikke det ikke kan lade sig gøre, men de kan nemmere få ridser i lakken.

I: Men de (Burberry) har måske taget en lidt mere demokratisk tilgang til samtale til kunderne. Ville du så stadig definere dem som at være et luksus mærke i samme høje som Prada osv., eller hiver det demokratiske aspekt det lidt ned?

TT: Ja, jeg tror faktisk det demokratiske aspekt hiver det en lille smule ned. Fordi at man vil vel stadigvæk gerne signalere at det her det er toppen af poppen, det er dem vi har med at gøre. Ellers skal de vende på dem selv, det er der nogle af brandsene der godt kan slippe af sted med – at vende det hele om og sige nu er vi totalt street og totalt brugerdrevet i en kollektion, men så ville det være så bevidst oplagt i deres kommunikation, så skal det meget mere gennemtænkes tror jeg end Hennes og Mauritz gør.

I: Burberry har udtalt at de gerne vil være det første 'digital luxury brand'… Det er en udfordring.

TT: Det er helt sikkert en udfordring, men det er helt sikkert også noget de har tænkt over. Det er helt bevidst.

I: Is there a difference between a non-heritage luxury brand's and a heritage luxury brand's usage of social media? Så dem der har noget solid arv og dem der er Acne, som ikke har faktisk noget særligt at bygge brandet på.

TT: Jamen det er der helt klart. Altså det er jo… hvis man laver en side der hedder Armani så får man sikkert et eller andet x antal tusinde likes bare fordi man hedder Armani. Det gode eksempel er vel Coca-Cola, som kan opnå tre millioner likes, som de slet ikke selv har lavet, inden de overhovedet går i gang. Så det viser lidt om hvad eksisterende brands, som er kendte i forvejen, skal gøre i forhold til hvis du skal bygge et luksus brand op fra bunden af med et nyt navn i sociale medier.

I: Så den timeline der er på Facebook, den kan Burberry f.eks. gøre rigtig godt brug af, pga. at de har sådan en stor historie. Og hvor f.eks. Acne de skal måske lægge deres fokus et andet sted.

TT: De (Acne) skal mere lægge på kendskabsgraden. Hvordan blev vi overhovedet kendt.

I: Så det er f.eks. deres jeans, som de jo blev kendt på dengang. Så det kan muligvis være mere produkt-orienteret.

TT: Jeg tror for mindre brands så er det mere produkt-orienteret, hvor de andre er så meget historie at Burberry behøver ikke vise et produkt, de kan bare skrive deres historie og så kan de vise deres tern, og så er det nok. Så ved vi godt hvor den kommer fra.

I: Ja, ternene er meget integreret i deres kampagner, online kampagner i hvert fald.

I: Can a luxury brand create product awareness on Facebook in a relevant way?

TT: Det kan de da helt sikkert. Det tror jeg vi kommer til at se rigtig meget af, det begreb der hedder 'social shopping', hvor man kommer til at udstille sig selv med de her produkter. Jeg forestiller mig – det er der rigtig mange der snakker om – at man kan lave virtuelle påklædningsdukker, hvor man koder flere medier sammen også lige pludselig. Det har jeg faktisk snakket med nogen af de første om her om at skulle lave en helt optimal i hvid show room shops, hvor der kun er et produkt af hvert, de er helt hvide alle produkterne, men så når man tager sin Iphone eller sin Ipad eller hvad det nu kan være eller sin smart phone op foran, jamen så kan man se produktet og hvordan det ser ud på en selv, og man kan skifte farve på de her produkter. Så det er en helt ny måde at tænke på, så det kan helt klart skabe en produkt awareness til det.

I: Jeg ved ikke om du har hørt om det, men Facebook vil lave en ny 'want'-knap.

TT: De har lavet en ny ønskeseddel knap. Det er vi faktisk meget sure over, for vi har faktisk lige udviklet en til applikation til en af vores kunder, og nu kommer Facebook med det før. Den store udfordring for nogle af detailhandlerne, som vi arbejder sammen med, det er hvordan man binder det digitale medie sammen med de fysiske butikker, det er en kæmpe udfordring for rigtig mange af detailbutikkerne. Og der vil jeg jo sige, de der store brands, de er i langt højere grad og er næsten allerede på vej til, at være store showrooms. Og det tror jeg vi kommer til at se, selv indenfor mindre brands også. I fremtiden så bliver man enten showroom ellers så bliver man outlet, hvor man kan købe det hele i billige kasser. Hvorimod de der showrooms bliver sådan noget, hvor man bestiller alt på nettet…

I: Og så også igennem Facebook eller andre sociale medier?

TT: Og så igen Facebook, nogle af dem der har gjort det rigtig godt det er faktisk Levi's. De har det der hedder 'relations store' til Levi's produkter. Det vil sige at når jeg logger på så bruger den mine oplysninger fra Facebook, og så kan den se jeg er en mand i den og den alder, den ved hvad for nogle jeans mine venner godt kan lide, den ved hvor mange inde på Facebook der godt kan li dem. Jeg ser kun mandejeans, og jeg ser kun prioriteret efter hvilke mine venner bedst kan lide, jeg kan se hvornår de har fødselsdag, så jeg kan give dem en fødselsdagsgave. Fordi de kender os, de kan bruge vores oplysninger som vi afgiver i de sociale medier, dem kan de bruge til at tilrette deres shops og deres produktpræsentationer. Det kommer også til at ske i fjernsynet, noget af det seneste de arbejder med, det er faktisk at lave individuelle tv-reklamer.

I: Og som vi også ser på Facebook osv. Ville du også kunne se det som en del af luxury brands strategi, at når man logger på så viser den nogle meget specifikke ting?

TT: Absolut, og også kunne få statusser. Altså vi vil gerne have individuel kommunikation, men vi vil selvfølgelig gerne se at nu går jeg i de samme bukser som nogle af de kendte. De har udfordringen, som luxury brands, det er at de skal stadigvæk have markedsførelse, også

gennem for at det stadigvæk er mere interessant end de andre brands. Men hvorfor kunne man måske lave sådan en – 'de her ti kendte har faktisk liket de her bukser'…

I: Ja, det kunne være en god mulighed…

I: In your opinion, how would you judge luxury brands' ability to combine offline and online brand marketing?
- In our opinion, there seems to be relatively few best-case examples of luxury brands creating integrated marketing platforms – i.e. combine offline and online brand marketing? What do you think could be the explanation?
Fordi vi har jo set rigtig mange gang at det ikke går særligt godt for luksus specielt, og Prada er jo et godt eksempel på worst-case-scenario, hvor det går lidt ned ad bakke online. Ser du en grund til at de ikke kan finde ud af at kombinere de to her?

TT: Jamen hvis jeg skal lægge anglen et vist sted, så er det fordi de fleste markedsføringsafdelinger eller reklamebureauer, de har ikke formået at tænke hverken digitalt eller socialt… de har simpelthen ikke forstået den verden. Det ser vi rigtig ofte. Nogen som nu er vores kunder, det har været nogen der har sat eget bureau, marketingsbureau til at tidligere køre deres markedsføring, også på de sociale medier, men de har simpelthen ikke kunne komme rigtig ud at ramme, fordi de tænker det ind i kampagner, de tænker det ikke ind som en eksisterende tilstedeværelse med deres kunder. Så de går ud og kører en kampagne i de sociale medier, som kører i to-tre måneder og så fjerner den igen. Så de kommer bare med det kampagne-budskab som de også kommer med i offline medier, og så kan de ikke få noget ud af det sociale på de sociale medier.

I: Bliver det for en-vejs kommunikation?

TT: Det bliver meget for en-vejs kommunikation, og den der mund-til-øre-metoden er slet ikke tænkt ind i det, altså brugerinddragelse er slet ikke tænkt ind i kommunikationen. Så nogle gange går de bare ud og smadrer en masse penge i at få skabt en side… og det var så det, hvad

skal vi så med brugeren? Altså hvordan kunne jeg have lagt en decideret strategi? Hvad skal man i grunden med sociale medier? Man ser det bare som endnu en kanal og behandler den som alle mulige andre til at komme i kontakt med folk.

I: Kan en mulighed eller en grund til at det måske ikke går så godt også være at man ikke har strømlinet den her digitale mentalitet hele vejen igennem kommunikationen, altså ikke kun igennem marketingbureauet f.eks. eller et socialt medie bureau men også internt i kommunikationen?

TT: Jo, igen fordi vi kræver som regel også at der er ejerskab i hele organisationen, for at når man går i de sociale medier, og det er også en anden mangelvare. Men nogle eksempler på at også det… hvis man kan sige nu har jeg i de løbet af de sidste par år, så har de fleste også fået en Facebook adresse med i deres offline kommunikation. Men det er ikke… det er de færreste af dem der formår at gøre det spændende… der er bare en Facebook adresse ligesom en www adresse. Men der hvor jeg siger man kunne udnytte det og gøre det spændende, det var jo at man måske faktisk kunne chatte med de modeller der var på de offline medier, dem kunne man chatte med live på Facebook, eller dem kunne man også blive ven med eller… man kunne læse mere om produkterne eller historien inde på Facebook, så man kunne kode sine budskaber ned i de offline medier i stedet for. Men at kombinere medierne og skabe den synergi der faktisk kunne lægge i at bruge nogle af de her medier, den er der ikke ret mange der formår at opnå… endnu… det kommer helt sikkert, men der mangler noget endnu.

I: When a TV commercial is 'aired' one must consider the time aspect to hit the right target group, does this also matter on social media platforms?

TT: Ja og nej. Det var et dejligt konsulentsvar det der. Men ja fordi det handler selvfølgelig også om at segmentere i de sociale medier, og det kan vi heldigvis rigtig meget fordi vi skriver så meget omkring os selv, så det kan vi både i de statusopdateringer og i de annonceformer man laver nu om dage. Modsat er der også det i de sociale medier at der også mange der siger 'ja men det gælder jo ikke om at have mange likes, det gælder om at have de rigtige likes', hvor jeg

siger det er ligesom at spørge om hvem der kom først: hønen eller ægget. Fordi et like har altid en værdi i det de har venner. Det kan godt være det enkelte like i sig selv isoleret set ikke har nogen værdi, men vedkommende kan have de rigtige fem venner, som lige pludselig har en værdi for mig, og dem når jeg også ved at involvere den her ven. Så derfor har alle like reelt en værdi i mediet.

I: Og hvad hvis vi siger at man skal ramme – man vil gerne ramme husmødrene med den her kampagne, ville man så gøre sådan at enten sætte den kl. ti om morgenen eller kl. fem om eftermiddagen. Ville man vurdere det i forhold til ….

TT: Nå tidspunkt på dagen! Det er da helt klart, og så ser vi dog en trend til at det er ligegyldigt, men det er mest blandt de yngre generationer. Det er fordi vi er online på mobilen hele tiden.

I: Ja, så man kan sige spamming er noget man skal undgå?

TT: Der skal meget til før det bliver opfattet som spamming i de sociale medier. En traditional indbakke, den sammenligner de deres nyhedsstrøm med på Facebook, og det vil jeg sige det gør man ikke mere. Det er vores avis og det er også de unge menneskers avis, så hvis de nyheder vi kommer med er relevante nok i forhold til dem, så kan man faktisk blive ved med at opdatere rigtig mange gange om dagen. Vi har sider hvor vi opdaterer syv til otte gange om dagen, hvor folk vil sige 'ej, forsvinder folk så ikke ud af den side?'… næ, tværtimod. Men det er fordi det er relevante ting vi kan komme med, så dem der har meldt sig til faktisk synes er relevant. Så på et tidspunkt på dagen, for de fleste der går på arbejde, der er det en god ide at opdatere om morgenen, til frokost, til fyraften, og så kan vi se når børnene er lagt i seng , lige sådan omkring kl. 21, er også et godt tidspunkt at opdatere. Men i takt med at vores forbrug flytter ud på mobiltelefonerne, og det gør vi mere og mere, eller hver tredje Facebookbruger bruger sin Facebook profil på mobilen, jamen så kan du opdatere hele døgnet rundt. For to år siden der gik aktiviteten også ned på Facebook i sommerferien, det gør den ikke mere, fordi vi har mobilen med.

I: What is a 'like' worth to a brand? What is a 'like' worth to a luxury brand? Er der nogen forskel?

TT: Det er lidt det jeg fortalte dig om de forskellige cirkler vi har, med de forskellige kategorier, for jo mere de tør involvere brugerne, jo større værdi får det også for dem. Så jeg tror… de kan selv være med til at skabe værdien for et brand. Altså noget af det man måler brandværdi på… jeg har set en empirisk undersøgelse, hvor jeg tænker om værdien er rigtig for det de er kommet frem til, vil jeg sætte spørgsmålstegn ved. Men parametrene de måler på synes jeg faktisk er rigtig spændende. Den første de måler på det er simpelthen hvor meget mere køber en Facebook-liker frem for en ikke-Facebook-liker med de forskellige 25 brands de laver den på. Og der køber de så gennemsnitligt for 400 kroner mere om året. Så kan man spørge sig selv: Jamen er det ikke de mest trofaste kunder, der ikke også liker et brand – jo det er det nok, så det er nok dem der køber mest. Det næste er faktisk rimelig spændende, det er netop hvor ofte genkøber en liker frem for en ikke-liker, og der gør de 29 procent oftere. Og det vil sige de næsten kommer en tredjedel oftere tilbage i butikken, så vi har nogle mere trofaste kunder, dem vi har fået med i klubben, altså dem der har liket os. Det tredje parameter de gør det op på det er så hvor ofte anbefaler de os, og det gør de 40% oftere en liker frem for en ikke-liker. Og hvis man så siger at 80 procent sker igennem en venne-anbefaling, så må man sige at den har en stor værdi. Så har vi to parametre mere, og de er sådan lidt mere langhårede. Det fjerde parameter, det er hvis man skulle have købt sig til bannerannoncering, digital bannerannoncering, som at have en Facebook profil, hvad er det så værd i kroner og øre? Og så bliver det så rigtig langhåret, den femte er når jeg er aktiv på et brands vegne, hvilken værdi har det så for brandet? Og det kapitalisere de og siger at en Facebook-fan har en værdi af 47-48 kroner om året. Og det vil jeg da godt sætte et spørgsmålstegn ved, for det kommer an på hvilket brand det er og hvad man sælger. Men parametrene er ret spændende.

I: Is a 'like' enough for a luxury brand?

TT: Det er det ikke. Men det er kommet godt i gang, når vi har nogle likes. Man skal også have en vis mængde af likes for at skabe et community. Altså… hvis man kun har hundrede likes på

en side, så skulle man måske hellere lade være. Så kan man jo sige 'jaa, man det er jo de rigtige hundrede' – jo jo, så kan det måske være godt nok. For at skabe noget liv på en side eller decideret indhold på en side så skal du som regel… vi plejer at sige man skal over 10.000. Det er så mest for de danske brands, og hvis du siger USA så er det noget med million brands, altså så er man oppe på en million likers.

I: Så et like er ikke nok, det skal også kunne skabe noget samtale? Altså imellem forbrugerne for at det giver noget værdi.

TT: Man kan sige at et like har en branding værdi i sig selv, også fordi de har venner, så alle likes har en værdi. Også for at være attraktiv. Når man kommer ind på en side, og så ser der er mange likes, så er der også en tendens til at like det mere. Vi plejer faktisk at sige at de første tusinde likes på en side er de største tusinde, fordi når man først kommer derover… Men det er kun en lille værdi hvis det bare er likers, det får jo klart en større værdi når vi kan (???33:43) involvering i siden og i brandet.

I: Hvad hvis man tænker på at luxury brands f.eks. før i tiden tit kun fokuserede på loyale kunder og kun gav dem opmærksomhed. Nu hvor alle lige pludselig har mulighed for at skrive på deres Facebookside. Tror du måske de kan synes at en million likes er for meget? Det bliver lidt spam-agtigt fra forbrugerens side på brandets fan page?

TT: Det tror jeg faktisk ikke. Det er klart de er med til at stille nogle regler op omkring den, for hvis man har en million likes… vi plejer også at sige at alle skal have et svar på din Facebookside, men når man kommer op på en vis mængde, så kan man ikke nå det, det kan ikke fysisk lade sig gøre, så skal de i hvert fald bruge mange kræfter på det, og jeg tror ikke det er det værd. Så vi skal være bevidste om det. Men de får jo mulighed for at… et eller andet sted… at belønne deres gode likers – deres ambassadører mere end vi har haft tidligere. Ved også at have en million likers, for det bliver lige pludselig rigtig spændende, hvis der er nogen der virkelig skiller sig ud der, så kan man finde dem og skille dem fra, de der trendsettere.

I: After all this, what would you say are the key premise for creating a luxury brand in a digital era? F.eks. et nøgleord eller en nøglehandling.

TT: Det er… at tænke socialt plejer at være mit nøgleord. Og det sociale det dækker over at man er åben og gennemsigtig og tænker brugerne ind i processerne. Det ville være mine anbefalinger for at de er tilstede i det digitale og får noget ud af det.
Hvis jeg så skulle sige noget I måske mangler her, så er det at skabe synergien mellem forskellige medier.
I: Mellem Twitter og YouTube og…

TT: Ja, og også TV f.eks. Altså TV og sociale medier er enormt stærke sammen, hvis man forstår at binde de der medier sammen så har de en enorm høj værdi.

I: Vil det sige f.eks. at der er nogle der laver noget product placement i et talkshow eller noget andet og så også bruger det på deres…

TT: Ja, og også bruger det aktivt. Og hvis du ser nogle af TV-kanalerne efterhånden er blevet gode til det, det er at når de har interview og sådan noget, så står folks Facebookprofil nedenunder – hvem er det man kan snakke med. Og det er lidt sjovt… det der er lidt sjovt er, at TV er sådan et stort massekommunikationsmedie, og man kan sige på Facebook der vil vi gerne have en individuel kommunikation, men det kan man faktisk ikke helt formå ved at gøre via de her kanaler. Så er radio faktisk også… Radio er nogle af dem der har fået stor succes ud af at bruge det, ved at de lige pludselig faktisk fysisk kan vise noget af det der sker inde i studiet, som man kun kunne formidle igennem radioen tidligere.

I: Det er jo så også lidt det samme som når de store luksus mærker holder store fashionshows og runways osv., og man kan live streame det via deres Twitter account eller Facebook side eller…

TT: Korrekt… Så sådan noget der, der bliver de der medier lige pludselig rigtig stærke i, og man kan involvere dem, få lov til at stille spørgsmål, de kan jo lige pludselig være en del af et eller andet. Og det tror jeg man kommer til at se i reklamer fremadrettet – at brugerne simpelthen bliver en del af reklamerne.

I: Og synes du det gælder alt fra de laveste luksusmærker, som når H&M samarbejder med nogen luksus mærker og op til Prada f.eks.?

TT: Det tror jeg vi kommer til hos alle. Det bliver jo på forskellige niveauer og med forskellige indgangsvinkler til at fortælle historien. Men det kommer til at gælde dem alle sammen.

I: Så det er også mht. hvor meget man inkluderer brugeren, så for H&M der vil inkluderingen måske være langt højere end den vil være for Prada, hvor de har mindre at sige. Hvor der ikke er lige så meget samtaletid kan man sige.

TT: Jamen, det kan være det bliver altså… For H&M bliver det måske mere nede på… jamen 'hvor kan du købe de her bukser henne'-agtigt, altså… med henledt på salg, så altså direkte salg. Hvor det på brandsene måske i højere grad bliver for at involvere de rigtige mennesker i den rigtige historie.

I: Ja… og lægge vægt på hvor produkterne er blevet skabt henne, de er måske blevet skabt i Italien – 'made in Italy' og sådan noget.

TT: De kommer med hele CSR-posen, og se der har vi produktionen og her producerer vi vores stoffer og altså hele det der og hvordan man kommer til at vise det

Appendix 2
Interview with Anthony Aconis
October 16, 2012

AA: Anthony Aconis

I: Interviewer

I: Taking the traditional understanding of a luxury brand into consideration, how would you define the modern luxury brand?

AA: I think … I guess the first thing that springs to mind from an old definition or understanding of luxury brands they tend to be sort of very closed in terms of closed communities closed in also … it's like a secret small club that only invitingly few are let into and I think that's changed completely today … I think the biggest difference between a traditional luxury brand or the way we perceive luxury brands back in the old days towards today is in one term accessibility. I think old luxury brands are these closed clubs, we really know what was going on. You sort of had to get into the workshop into the brand to understand the fine intrinsic values to the brand. And whereas today I think luxury brands are much more accessible in terms of purchases in terms of our understanding of them in terms of communicating these intrinsic values, so I think the difference is back in the old days we took a luxury brand for granted or we took their word for the fact that they were luxury brand, moreas today I think a luxury brand has to prove itself much more. Explain us much more why they are a luxury brand.

I: Is this because of the new mentality in the consumer?

AA: That's sort of interesting I don't think it's in terms of ….. Yes you can say it is based on a new mentality in the consumer, because if we go 50 years back if we go back in time I think we had a much bigger trust of brands. We would take a brand for granted or what they were saying for granted. We would trust that Nike had better performing running shoes. We would trust that Louis Vuitton's luggage would last longer. We would trust that Chanel was the essence of style … and soforth, we would trust them much more. And I think because of the democratisation of technology, media and of the marketing savvyness of the individual consumer, I think their demands on information and knowledge is much bigger, so I think that is changing. Absolutely, we need proof.

I: How is social media relevant for luxury brands?

AA: I mean, Obviously social media is the worlds biggest media, fastest growing media, so the question is not really … if you should use social media or not, the question is how should one use social media and obviously that is the question that luxury brands should ask themselves as well. So I think in terms of from a very banal point of view from a very immediate point of view I think social media lends itself as a communication tool an easy and effective communication tool in order for luxury brands to communicate what they are about and why they are a luxury brand and what kind of luxury they can offer us. So I think it is a very effective target way of approaching their core audience.

I: Okay and that is very and that's very linked to the next question about, how should luxury brands use Facebook as a branding and communication tool? Can you be a little bit more specific?

AA: ..I will try … I think what we are seeing more and more is obviously that Facebook tends to be the primary portal for any brand instead of googling a brand, or trying to type www.chanel.com you know more and more people will tend to use FB as a primary portal, so I think the connectivity of FB the fact that you connect directly with people creating room for dialogue, creating room for a more visible communication bridge between you and your users makes FB highly relevant for even luxury brands, you know you can actually get name and numbers of who is actually engaging with your brand. I think it's a very simple and effective way for even luxury brands to communicate what they are about to their core audience or to the people they actually wants to engage with. And of course it allows for a more customercentric and complex way of communicating. I mean we can only communicate so and so much in a print ad in Vogue or we can only communicate so and so much in 30 seconds TV spot. I think on FB you can actually communicate a lot more in depth and a lot more complex stories about your brands to the people you know want to hear it. And in that sense it is actually highly effective.

I: Which brand challenges should a luxury brand be aware of when entering into a social media context?

AA: Obviously there is ... Of course there is the obvious one that a luxury brand is as we understand a luxury brand a brand for the few. And when a brand for the few communicates in a communication channel for the masses … it seems to be sort of a contradiction and of course it poses challenges for the brand that the exclusivity and the general sort of sense of exclusivity of a brand can be slightly worn of in a very broad media context. I mean, obviously … there's a reason why luxury brands communicate in a luxury media. Is FB a luxury media? No it is not a luxury media. And that's a challenge. So the challenge is really how do you make FB a luxury media for your brand. You know, we are used to Vogue rubbing of on Chanel and Chanel rubbing of on Vogue. Burberry rubbing of on Vanity Fair and Vanity Fair rubbing of on (He says Vogue but I think he means Burberry: 7:23). And that sort of synergy between media and brand has been a very important catalyst in luxury branding for a long time. When you suddenly take something which is so democratic as FB and Yoox, you know there is no rubbing. Because in that essence FB is actually pretty neutral. Anything can happen on FB. … So FB in itself does not lend any exclusivity to the brand. It lends a lot of energy, a lot of freshness, a lot of youth and a lot of currentness, but I think it is a challenge for luxury brands to actually make FB an exclusive experience not just another FB experience.

I: So that is very much linked to what is said before about making communication deep or communicating in a deeper level?

AA: Yes you can say that. I think any brand has to understand to look beyond the immediate accessibility of FB. We look at FB and we say oh this is super easy I post a logo I post some updates, but because of the fact that you have the timeline, you have picture galleries, you could actually do a lot on FB, you can actually tell them a much more complex story. I don't think that the complexity or the deepthness of FB in itself will create exclusivity for the luxury brand, but I think if you are able to use the deepthness and the complexity of FB you can create you can make FB a luxury media for you, for your luxury brand. Does that make sense?

I: Yeah … What are the risks and challenges for luxury brands when using social media to build their brands as opposed to more traditional media applications?

AA: Can I just go back and answer the other question again. I mean … I think for instance Tom Ford. I was just talking Tom Ford right now. And I think that's a great example of one of the most exclusive of luxury brands becoming absolutely banal and uninteresting and unexclusive on FB. You take something … You go in to … Every Tom Ford brand experience. You go in to the stores, the packaging, the design, the movies, the commercials, everything Tom Ford does is just über exclusive and then you go on his Facebook site and it is just absolutely ridiculously pointless. So in essence, I think Tom Ford on FB is immensely devaluating their brand. And that's the challenge of using FB if you don't understand the nature, the complexity .. If you don't succeed in making FB an exclusive media for your luxury brand that is whats gonna happen. You might as well be H&M or anybody else.

I: Can you give an example of where Tom Ford fails to be glamorous and luxurious on FB? And you mentioned before that it was a hard time creating that exclusivity?

AA: I think right now, a company like Tom Ford uses FB to post catwalk, press photos of people wearing Tom Ford at certain events, which is basically … a need that we get … that's a news (angle / viewpoint). It's a celebrity news angle. So one can say that Tom Ford's FB strategy is a celebrity news angle. Which means that Tom Ford on FB covers the exact same needs as people.com, instyle.com, hellomagazine, like the magazines does, who's wearing and what are they wearing, boring. At least in that context. For me it would be much more interesting if Tom Ford, which is a non heritage luxury brand – a person driven luxury brand, if I was actually engaging with him. If the intellectuality and the artness of Tom Ford on a personal basis was shared on FB. Stuff he likes. Exhibitions he thought was interesting. Pictures that inspired him. New ideas for his collection. Talking to his consumers or his shoppers about, you know, what is going on. Tom Ford is brand where there is this concept Tom Ford 1000, which is his 1000 closest customers, where he builds their homes, he designs their yachts, he designs their

private jets, he designs their clothes – bespoke clothes for them. Why don't we get a glimpse into that world? … There is such a richness in Tom Ford as a brand and that would have lend itself to a very personal experience with Tom Ford as a brand on FB, and it's a shame that they don't. So what was the next question?

I: What are the risks and challenges for luxury brands when using social media to build their brands as opposed to more traditional media applications?

AA: I mean, besides the stuff I said .. I think that .. Of course in traditional media we can control our placement, which is the big thing about traditional media. We can make sure if we air a TV spot it is up against this program. If we place an ad in the newspaper it will be up against this article in this specific … newspaper … in this specific magazine. I mean, we can control placement and the thing is FB in itself is a placement, so we can't really control it, because we can't necessarily control what is going on. And luxury brand is an illusion. It is a tight illusion of perfection. And a tight illusion of perfection does not necessarily lend itself to everybody and their grandmother having an opinion and everybody touching the brand. So that's the big challenge. Will we actually allow ourselves to be challenged, to be touched by the consumer, because the luxury brand is everything but.

I: Is there a contradiction between the elitism and exclusiveness of a luxury brand and the ultimate democratic nature of social media?

AA: Yes as I said earlier there's a huge contradiction, because you know a luxury brand is all about this tight tightly controlled illusion of perfection down to the very sort of, you know, to the itsy bitsy detail and then you open up, you actually allow people to start messing, to start co-creating, people start having an opinion, people start commenting, people start … you know the democratic nature of FB suddenly allows people to have an opinion, a very visible opinion, and a very active opinion about the brand. And if you cant control that … you know, you will start tipping the illusion .. you will start, you know, unravelling the illusion, so that is a problem. On the other hand, I think, for most luxury brands just as for most brands you cannot not deal

with FB. You cannot not deal with social media. So the question is really what do you wanna do with FB? How will FB add to the illusion? How will FB add to your luxury branding strategy? Rather than how do I make my brand relevant for Facebook? It is the other way around. How do I make FB relevant for my brand? Because right now what we are seeing is luxury brands making the same mistakes as everybody else. It is that they look at FB, look at the culture, and then they try to integrate into that culture instead of saying how do I integrate their culture into my brand? So making it the other way around. Not pretending to be something that you're not, but actually using the fundamentals to allow a different kind of conversation with your customers. That's much more interesting.

I: Ok okay… As traditional luxury branding theories seem to be very dependent on exclusive yet traditional media platforms, how does social media – in your opinion – propose an opportunity and/or threat for current luxury brands?

AA: I mean obviously the biggest threat is what I called earlier that it becomes too banal. My Tom Ford example. That I mean, the obvious threat is that you take this very flat democratic nature of social media and just apply directly to your brand. That's the one thing. The other thing is that if you don't have a clear well thought of brand strategy or social media strategy, why would your brand strategy … You can make a lot of mistakes. You open up for a part of your brand, which will be beyond your control. So those are the obvious threats … Losing control over the illusion … and or … Losing control over your brand, which is very important in a luxury branding context, which is less so in a telecommunication company, is less so in a car company. I mean in luxury brand … What we buy into is the brand first and foremost that brand has to be tightly controlled. How do we do that in a democratic media context. And how do we do that .. how do we brand in a democratic media context without making it too banal and too simple and taking away the exclusivity and the mystery of our brand. So those are the threats. I think that the opportunities for luxury brands is of course the very nature of FB. The ability … or the possibility for a brand to connect with its audience and not even connect, but actually engage with its audience and actually have active dialogue, active consumer communities around your brand. I think that is super sexy and that's something that we should look into and

say how can I actually use FB to create a creative engaged active community around my luxury brand. Now that's the big possibility.

I: The next question is very close to what you just answered, but how should luxury brands apply social media in their marketing strategy differently than mass-market brands? Should they not also create these communities you just explained was really important?

AA: Yeah, but if it is a community you want. I mean, we tend to look at FB as being oh a facebook strategy, but I mean you can have a thousand FB strategies. You can have a thousand FB groups. I mean, I cannot count in my head how many Nike has. I mean Nike has community FB pages, Nike has product FB pages, Nike has a corporate, Nike has a runners section, a golf section … I mean, so much is going on. SO for me it is foremost to say what is your engagement strategy? Why do you wanna be on FB? What is your hope to achieve from actually being able to engage with your consumers? Because that's the promise of FB as a media. You engage with your audience. I mean, punctuation mark. So from that insight what do we wanna do? What is it that we wanna do? And I think, you know, is customer care relationship something we want to put on FB for a luxury brand? Is technical questions something? Well I don't know … It is helplines, digital help lines … I think first and foremost that social media is really about expanding the customer experience for a luxury brand. It is about taking that brand and creating a deepthness, a complexity and creating a bigger world a more digital world for engaged customers. That I think is the role. Making it more interesting. Making it a broader universe. Having more people engaged and actually educate them in the brand. I think that's another big possibility. I mean, how much do we know about Chanel? You know, we can talk about Chanels history, we can talk about the design philosophy, we can talk about their inspiration … we can talk about … there's so much stuff that will actually mean that Chanels audience or Louis Vuitton audience actually become better brand ambassadors, better brand understanders, have more insight about the brand and feel a closeness to the brand because of those insights. I think that's interesting for luxury brands. How many people do really know the story about Louis Vuitton? How many people do really know the story about Chanel? How many do really understand all of the facets of Tom Ford? FB can actually allow you to do that.

I: So that's the kind of relationship you think luxury brands should aim at creating via or using social media?

AA: … Yeah. I think it is about broadening the luxury experience, broadening the brand experience online in a digital context. I think that's interesting. I think that's … and then I am dying to find out how luxury brands can use that active dialogue with its customers and ambassadors to actually create better brand experiences. That's interesting. That's the next part. So from broadening the experience the next step would be activating and how would that be. Take Burberry for instance. Burberry.com you can actually. You go in there and you can design your own trench coat. So you walk in there and you co-create a Burberry trench coat, customised exactly to your thing. Wouldn't it be awesome if a part of the Burberry FB experience was a Burberry site devoted to blog/photos of people sporting their fantastic own created Burberry trench coat. You know, who has the nicest trench coat. Letting people comment on their own design. I don't know... But actually creating communities around the products I think would be the interesting next step.

I: What should a luxury brand be aware of when building customer and stakeholder relationships on Facebook?

AA: They should be very much aware of the fact that when you open communication channels people will talk about your brand and they will also talk negatively about your brand. People will challenge your brand. People will … when people engage they will have opinions they will be positive, negative, they will challenge you. They will challenge your brand authority and going from being that brand owner from a brand audience, they suddenly become brand participator and am I ready for that participation? You know right now, as me as a brand communicating to you as an audience. Now is like, me as a brand communicate community engaging you as a brand participator am I ready for their participation? I think that's the biggest thing or do we feel comfortable with people having an opinion about our brand and especially luxury brand I just thought of this morning. Because luxury brands... We have a tendency to

project the luxury proposition of the brand on to the luxury proposition of our consumers. So we think that all our luxury brands consumers are rich, fashionable, you know, high-end customers. And actually most probably they are not. They are probably lower income, not very attractive, you know, there is all sorts of ugliness in the real world, which does not fit with the perfect world of a luxury brand and are we ready to let that in? Can we accept that fact that even though we are a luxury brand we are in essence a democratic brand?

I: So do you believe this is the reason why Burberry for example have maintained their 'Art of the Trench' initiative on a website instead of putting it on FB, because it allows for people to engage and comment even more?

AA: Yes. I think what we are seeing in companies right now in all companies is... that they are all looking for the border and the balance. How far can we? And how much do we open up? How far can we take this? How far or how much to what extent can we allow our customers to participate in our brand building and our brand experience without losing control. That's the fine line.

I: Speaking of the fine line. Do you think that brands should go in and either edit, delete or comment on negative feedback, which does not fit into the perfect or glamorous picture? Does it differ from brand to brand? Who dictates this line? The media or the brand?

AA: I think 100 percent that it is the brand from a very cynical marketing perspective. I think branding used to be about 'what can we do for you', then we moved into a new era of co-creation where we say 'what can we do together?', which is FB. Wherein essence this is an illusion. This is not true. Over here where I think it is a much truer version of the real world is 'what can they do for us?' meaning 'what can my customers do for me?' So I think … to think that luxury brands with all their attention to detail will open up completely for a democratic approach – a democratic customer participation. I think is … a bit far fetched. I tend to believe more in… from... it sounds a bit cynical, but what can they do for us? So I think we will be much more about not allowing everybody to comment, about being invited in as an ambassador, being selected to be part of the group as an active part of the group. I think FB in the future will

be much more controlled by the brands to ensure that whoever engages with my brand will build my brand in the right way in a way that I wish for my brand to be built. Because right now if you say ok you can edit out the bad comments it will create so much bad-will it will be so damaging to your brand. If you go the democratic route you have to respect the democratic route, so I think … if you live by the rules of social media … if you enter social media, you have to live by the rules of social media. My thing is I just think we will move on a slightly bit, because it seems from somebody like Louis Vuitton, who controls every single aspect of their brand, to think that they will completely open up seems far fetched. On the other hand, they have to open up, they have to at least create an illusion that they are opening up by, you know, otherwise they can't engage with the biggest media in the world. So there is a movement towards, but there will be a lot of sort of pressure on doing it right. They have to be there. They have to get something out of it. It has to be in line with their brand strategy. It has to be customer participatory, but you just have to make sure that it doesn't damage your brand. Luxury brands will spend a lot of time figuring out the right formula for making that happen.

I: And you just referred to … you said the customer … what can we get out of the customers? And do you consider people, who like a FB brand page by a luxury brand, do you consider all of them as customers?

AA: No. Especially for luxury brands that's not true. I think, the brand affiliation need is much bigger than … No… The brand affiliation need is much bigger when it comes to luxury brands, because of the price tag. Because the limit to … how many Celine bags or how many Tom Ford suits … how many, you know, Acne pants I can buy, but I like to be associated with the brand, because we have to remember that likes on a personal on a persons FB is also a branding tool that says something about me just as I drive an Audi, I use an Iphone and I drink diet coke that says something about me. What I like on FB will also say a lot about me. So .. and of course like we tend to cover ourselves in brands that we aspire to in the real world we will also tend to associate ourselves with brands that inspires you .. and of course luxury brands are the ultimate aspiration brands, so luxury brands will have a lot more likes than people actually or should have in theory a lot more likes than people buying their product. It is just like their perfumes.

They are all license out their perfumes, because then we can all get a little .. we can all afford a little piece of Tom Ford and all afford a little piece of Chanel. Because we can never afford … or most people cannot afford going down and buy a Chanel bag or a Tom Ford suit and the same effect will be on FB that we would like it, because we would like to be associated with it, we dream about the brand, we aspire to the brand, we would love to be able to buy the brand, and by clicking on the like button we get a little piece of the brand. Which brings me back to my Tom Ford example, then that FB should be a brand experience. It should be a piece of the brand.

I: Should consumer engagement on social media differ between different types of luxury brands? (Considering H&M-Marni, Burberry, Acne and Prada)

AA: Is H&M and Marni a luxury brand?

I: It's a masstige collaboration.

AA: Yes obviously, I think … Obviously, I don't know much about luxury brands segmentation, but I would say that each brand should have their own FB strategy depending on who they are, so depending who they are and what you want, I am pretty sure that looking into different luxury brands and their different marketing strategies. You know .. Each luxury brand's marketing strategy will result in a different approach to FB, because it is all about how is our FB strategy compatible with our brand strategy and how does it extend our marketing strategy. But obviously I think, so that's one way of answering your question .. I think .. You know. Acne it takes … You said Acne and what …

I: I said H&M Marni, Burberry, Acne and Prada …

AA: Prada and Acne is great examples .. I think Prada is much more the establishment. It is much more an established luxury brand. It is haute couture. Is it? Yeah it is …It's old money. It has so much heritage. It's a completely different brand and they use completely different

branding mechanisms than Acne, which is much younger, much more street and much more connected with undergrounds arts. Whole different cultural aspect, socio cultural aspect of society than Prada, so for them it is just a completely different approach. Because they are two very very different types of luxury brands. And back to H&M and Marni … I mean in a masstige project it is much more short term, it is much faster and much more about making sure that H&M's customer base knows who Marni is. It is much more about unpacking the concept of collaboration, the masstige project, and putting the products forward and explaining the concept of the collaboration than explaining a brand heritage; the whole planet Prada and the streetness of Acne. So it is very different ways of approaching FB I would assume.

I: So what should Acne communicate using FB versus Prada?

AA: ….

I: Prada has the heritage that … how can you?

AA: … that's an interesting question.

I: It is actually connected to the next question we have. Is there a difference between a non-heritage luxury brand's and a heritage luxury brand's usage of social media?

AA: Yeah. I would say actually. Prada is a brand, which is very much anchored in itself. And Acne is a brand that is very much anchored in underground youth culture. So I think Acne is a much more outward looking brand understanding what is going on … they are much more picking up on underground current. Whereas Prada keeps being a nuance in it selves. It is like they are reinventing themselves. And Acne is reinventing …. Acne is reinventing … No Prada is reinventing Prada as compared to Prada. And Acne is reinventing themselves on a continuously based on what goes on in the world around them. I think that is two different approaches. For Acne it is about showing their connectivity to what's going on and what's cool today. This Lord Snowdon project.

I: So they do that through their products and through their communication and identity? Are you saying Acne is more product focussed?

AA: No…. I don't know that's a difficult question. I am just saying that Acne's FB should most probably be about connectivity showing that they understand Lord Snowdon, why Lord Snowdon is hip. Showing their understanding of art or that neighbourhood where they opened up their store in Manahatten. Whereas Prada it is much more about unfolding that brand experience. It's not about connectivity. It's about authenticity and those two things are very different. This is about establishing authenticity and this is about establishing connectivity. Because Acne is a brand we buy into because of their connectivity with everything cool. And Prada is a brand we buy into because of their authenticity. And that's why they should have very different social media approaches. What was the next question?

I: Well I asked is there a difference between a non-heritage luxury brand's and a heritage luxury brand's usage of social media?

AA: Yeah but if you take Acne … I am probably gonna answer something which sounds contradicting to what I just said. But if you take heritage brands in our very complex world of communication. I think heritage luxury brands has a scope … has the possibility of proving their heritage … of unpacking their heritage, of making me aware of what the heritage is all about, you know, so it is like proving their heritage. Whereas a non-luxury brands is about … this is about proving heritage, but over here it is about proving their luxuriousness. We know that Prada is a luxury brand so, and they have to prove that fact, and over here they have to prove that fact as well, but it is not about heritage. It is not about history. It is about something completely different. Back to Tom Ford if he … if it was a very personal site driven by this is my favourite artwork or this is some inspiration … you know, we would understand the luxuriousness of Tom Ford. They have to explain their luxuriousness. Acne has and Tom Ford has to because they don't have their heritage. Over here we just have to prove it based on the

heritage and history where we come from.

I: Okay can a luxury brand create product awareness on Facebook in a relevant way?

AA: Can a luxury brand create product awareness on FB in a relevant way? Yes, why not. I mean … Yes I actually … that's actually a good question. … I think a product, product presentations, and product stories are hugely missed out for luxury brands of on FB. I mean, all the iconic features and iconic products of luxury brands, you know, on FB we can actually take claim, you know, you know, the Celine bag, the Birkin bag, the Chanel sling back shoes all these iconic products, that H&M and everyone else has copied again and again and again, but if we could actually, you know, go out and prove and claim ownership of iconic products, of iconic design, iconic luxury innovation in terms of design products. Now that would be sexy. I mean, that's an opportunity for them to say that we actually create real innovation that's real luxury.

I: In your opinion, how would you judge luxury brands' ability to combine offline and online brand marketing?

AA: They suck.

I: They suck?

AA: Yeah I think … I mean if you go to gucci.com and prada.com it is just horrible. I don't think luxury brands … I see a lot more really badly executed luxury branding stuff online than I see well executed, because it is as if they don't really understand the nature of it. I mean, prada.com took forever. They waited 15 years after the Internet came before they did a corporate website. I mean, they all waited. I think the banality and the very un-luxurious experience of most luxury brands websites, FB sites just prove that I don't think .. for me it is not even about integration it is about application. They don't know how to applicate. They don't know how to transfer luxury values in the sense of their luxury brand online.

I: So that is the explanation why the integration is not done better?

AA: Yeah because they simply have not gone around to … I mean if you go to rolex.com if you go to .. most sites .. most websites are just electronical brochures and that is what everyone else did in, you know, the 99'ies. It was the very first approach to the Internet and that's what we actually see reflected now in the luxury brands. It is just, you know, fascinating it actually surprises me with all the money and the power these luxury brands have that they are not able to crack the online code. So … for me it is not even a question of integration for me it is a question of the fact that they are digitally clueless. Most of them.

I: It is another aspect of this integration, but when a TV commercial is 'aired' one must consider the time aspect to hit the right target group, do you think this also matters on Facebook and social media platforms?

AA: Yes I think it is highly important. I think time aspect is an overseen factor when it comes to social media. We tend to post stuff online because we have time or the intern down at the marketing department has time to write an update. And obviously in a world of fashion and lifestyle where we find most of these luxury brands … I mean, time is of the essence. It is about being the latest, the greatest, the hypest, the newest … you know, the new black, so of course it is super important knowing exactly when to type during the day, when during the season, when do we actually create the most buzz and hype. We must remember that we tend to see FB as an isolated communication channel. What happens on FB stays on FB, which is absolutely not true. If somebody blog something about we have created this new epic shoe design, I mean, what will happen? This will be picked up instantly by everybody pinteresting, everybody blogging, everybody you know... I mean, it all starts on FB. I mean social media we thought … you know… social media changed everything… you know .. The dogma right now is that products you are gonna find on social media. This is where everything starts. Of course timing is of the outmost essence. Because once you launch it on FB everything will explode around it, so you have to time that and you have to understand the importance of time and the relevance of time. How does it fit in? Will that shoe that you are blogging will that be the be the one that's in

all your shop windows … that day. Well here we go we blog about the shoe you can find it in our windows and accidently you can buy it 10 percent of on our online shop. And the ten most important bloggers in the world will post an article about that shoe right there and then.

I: Okay then you speak about a specific day, but what if we speak about minutes or hours or in the morning versus in the evening or midday?

AA: I think more and more … with FB's analytics we are starting to become much more clever than we were just three years ago as to how people use FB. When are the peak hours? When will my status update get the most exposure? This is stuff we did not think about back in, you know … because it was basically people connecting with people, but now people connect with brands, news, authors, you know, all sorts of crazy stuff is happening in my newsfeed and now we start talking about placement on the newsfeed. When will people actually get the most exposure and most relevant exposure, so of course understanding the lifecycle of the day and the lifecycle of your audience is important, because of course you have to hit them when you are actually sure they are watching.

I: Okay, what is a 'like' worth to a brand?

AA: Nothing … A like is a … What is a like worth? No … You can ask yourself, you know, what is a like worth to you? Is it worth to you that 200 people like you or 50 people like you? I mean, it is not that much about what that like is worth. It is about what do you use that like for. A like is just a passive asset. It means nothing unless you find out how you activate that like. If that like turns into active engagement, active behaviour then it is something completely different, that's what is important. Not the like. The like is the gatekeeper for engagement.

 I: What is a 'like' then worth to a luxury brand?

AA: Actually this is even more important for a luxury brand because you argue that a luxury brand by default is attractive for people to like. So you have a lot more people liking luxury

brands than will ever buy the luxury brand than will ever spread the word about a luxury brand. Because back to my point if I, you know, like certain luxury brands on my wall or on my profile it says something cool about me, so we aspire. But, you know, for a luxury brand it becomes even more, you know … there are so many likes probably, so many people like a luxury brand because of their own personal reasoning not so much for, you know, the sake of the brand. A luxury brand really has to understand how do we activate these likes and how do we activate the right likes. So I think the like game is even more interesting for a luxury brand … or important.

I: Our next question was: Is a 'like' enough for a luxury brand? But you pretty much answered that question.

AA: Yes and no to that question.

I: After all this, what would you say are the key premise for creating a luxury brand in a digital era?

AA: … It is actually a pretty hard question. I think … I think that the key premise … I think there's many … But I think. It is actually interesting if that's your problem, because we talked Facebook.. In a social media era I think a key premise is … The key premise is the ability to transfer the exclusivity … No I actually think that the key premise is being able to transfer the offline luxury experience online, so everything that luxury brands are so damn good at; luxurious advertising, luxurious design, luxurious packaging, luxurious in-store experience – all the the luxurious, the 360 luxury of a luxury brand being able to transfer it into an online experience, I think that's the key key key premise. And here is a support point… if you look at a luxury brand compared to a normal brand you can in a very crude way say that a luxury brand is the same as a normal brand they just do everything a bit more. There's a bit more service. The stores are a bit more extravagant. It's a bit better design. It's better quality, I mean it's a brand just more. So, it is not even enough being able to transfer, you know, the luxury experience from an offline experience to an online experience. It's actually making sure that that online

experience is state of the art. That we do something which is even more luxurious than anybody else, even more crazy, even more avant-garde, even more ground-breaking than all other brands from a luxury perspective. Because what is digital luxury?

I: Even more. A bit more.

AA: Yeah because what would be a luxurious experience for me online? I know in store that a luxurious feeling for me is when you buy a Louis Vuitton bag they will serve me a glass of champagne and a macaron from Ladurée. What kind of luxury treat will they give me when I shop online? So luxury is often found in the details of the brand experience. How will those details live online? I think that is the second premise or the extended premise. So I think the premise is really to create even on FB a luxury experience. And actually but on the digital premise … I wanna answer more directly. Ask me the question again?

I: After all this, what would you say are the key premise for creating a luxury brand in a digital era or social media era?

AA: Of course the premise is the ability to transfer your luxury experience from an offline to an online experience. The other premise is obviously understanding the very nature of social media and digitality and allowing your brand to be interpreted in that way without losing the luxury edge. So embracing the participatory democratic nature of social media without losing the luxury proposition. That is the key premise.

Appendix 3
Skype interview with Dorrit Bøilerehauge
October 23, 2012

DB: Dorrit Bøilerehauge
I: Interviewer

I: Taking the traditional understanding of a luxury brand into consideration, how would you define the modern luxury brand?

DB: You can define luxury, I think, from different angles. And the two angles that come to mind is… to my mind right now, is that luxury can either be… either depend on the product itself, the quality of the product or on the availability of the product. So that if you have a quality that justifies a very high price, or higher than medium price, you would define that as a luxury product. But also if you have a product that is very difficult to get hold of, or is only available to a limited extent you could define that as being a luxury product as well.

I: Yes… and taking that notion into consideration how would that make social media relevant for a luxury brand?

DB: It would make social media relevant depending on of course on the product it sells, but the nature of social media is also very important. So I think it would depend even more on the segment, on the consumers, and the consumers' media habits. Because if the consumers or the customers of the brand in question are already active on the social media, then of course it would be relevant for the luxury brand to start branding itself on social media. It's not really relevant even though social media are very popular.

I: So… for some luxury brands it is not clever then to perhaps be that active online?

DB: I think… If I was head of a luxury brand I would try to figure out to which extent the customers are on the social media… One if they are on social media, and then secondly look into their media uses and media habits, to see what kind of activities that they engage in. Because if they are not really there or if they are only using the social media to a very limited extent, it may not be worthwhile. But of course, giving the status of the social media it is narrowed that it should be surveyed continuously, in order to make sure how it develops. It is very important to see or to know of the customers more than anything else.

I: How should luxury brands use Facebook as a branding and communication tool?

DB: I think I already answered that in the first question, haven't I? It depends on the brand, but more than that it depends on the customers and whether they are there at all and what they are doing on the social media.

I: Which brand challenges should a luxury brand be aware of when entering into a social media context?

DB: The usual pitfalls is just posting one-way communication, even though you are on a social medium or social platform. And that's the challenge for every brand. But a part from that I think the nature of luxury, whether that can be combined with the social function, and I think it can but of course we have to make a deep analysis of the brand, of the characteristics of the brand, in order to see how you can unfold that brand in social media. Many of the most popular examples we see for example on Facebook are humorous examples, it's wherever it's homemade little whatever videos whatever… that make people laugh and luxury is not so easily combined with for example sense of humour. So there is no simple answer to that question really.

I: But opposed to traditional media applications, how does the risks and challenges differ when from when luxury brands want to use social media versus traditional media?

DB: The risk and the challenges are different because the social media platforms are about dialogue, and the usual position of a brand is really much more elevated. A luxury brand doesn't necessarily talk to its customer or talk to anybody for that matter. It is more exposed at something difficult to get, remote, unattached, a little bit like a royalty, you may say. You may compare a luxury brand to a royal person. And they only… They wave at you but you can't talk to them. And that's the challenge going on social media for a luxury brand, because then they

have to establish some channels for some kind of interaction or dialogue. And that's not really in the nature of the brand… maybe…

I: Yeah, and what about… In previous years there have been two-way communication between luxury brands and their customer, but more in an offline setting. Could those be compared – the offline communication they had with their very elitist customer base and the one they might be able to create on Facebook. Or is it a too big contradiction there are between these?

DB: The situation is very different and I just read an interview with the head of Chanel, where he said… Well… They don't sell their products online, their fashion products online, because they still want customers to come into their shop, and meet the tailor and have the jackets fitted etc. etc. And of course if that's the service that you want your customers to experience you cannot do that online. And obviously not on the social media either. So it depends on what kind of experience you want your customers to have. And you can't create all sorts of experiences online, so there is still a lot difference between online and offline.

I: So… as traditional branding theory seems to be very dependent on exclusive yet traditional media platforms, how does social media propose an opportunity or threat for current luxury brands?

DB: The opportunity is to get closer to the customer, but if that's not really what the brand wants then it is not relevant. I think it's also very important to brands to really analyse the situation and evaluate what it is that they want, where they want to take the brand. And they need to have a strategy that defines for them what the aim is with going either online with their sales or creating a social media profile. And if that aim doesn't really fit into the general branding strategy then it shouldn't be carried out.

I: How should luxury brands apply social media in their marketing strategy differently than mass-market brands?

DB: I think that they… of course they have a different position in their point of departure, because they are elevated in different ways. They have a higher status also than maybe… of course a higher status than a lot of other brands and market, and maybe not… They don't have the tradition of interacting with customers. They need to take care to preserve the originality of their brand. And in that being active on social media can become a danger. They need to find a very specific way of handling the social media interaction, because they also have to preserve authenticity, if they get very chatty and if they try to be too popular to too many people, then they can't preserve the core values of their brand. So it's really a delicate position. But having said that I think also that in general it's important that they try to work on these strategies because social media are so powerful. But it has to be balanced, it has to be carefully balanced, so that they don't fall into any of the traps you may fall upon on social media.

I: You already touched this topic, but you say they should not try to be chatty in some way… But what kind of relations according to you… relationships should luxury brands aim at creating using social media?

DB: I think it's difficult to give a general answer to that question, because it depends on the brand… the individual brand. But I think the best… or I am sure that the best approach is that they analyse their own brand. And try to pinpoint the dimensions that are suitable for development… for social media development. And maybe focus on them rather than the entire brand. It could… it doesn't necessarily mean that they should have to create a cheaper sub-brand or any of that kind. But still dimensions of values that would be suited for social media dialogue. It depends on what kind of analysis they are able to carry out.

I: Is there a difference between a non-heritage luxury brand's and a heritage luxury brand's usage of social media? For example let's say Acne and Burberry.

DB: No, I don't think so. The divided line is not on heritage or… it's much more relevant… is the values of the brand and how these values may be developed, as I just said… Whether it's an old, traditional and established brand or a newer brand is not so important in this connection.

I: So it should always be the focus on the values.. Such as for Acne it might be a product-value, like their jeans they started out with, and for Burberry it might their scotch tern?

DB: Yes.

I: Can a luxury brand create product awareness on Facebook in a relevant way?

DB: Oh yes. That depends on the product. I think it can be absolutely… it can be done. And you can also… You can see that, but again it depends on if that's really a good strategy for the brand. Whether that's what they want.

I: And what about you Dorrit are you ever inspired when you're seeing a product online, as a luxury consumer, to buy something?

DB: Yeah… Yes, I am. I think I am actually. It depends on the curation, and it depends on the… whether. Whether what is shown is edited. It needs to be edited I think, in order to become interesting. Because you need to sort of unfold the sensory dimensions, because that's also very much what luxury is about. It's a particular feeling, sensation, the mood… surrounding luxury. So I think it can be done, but of course it's difficult.

I: So for example a large focus on where this product was made, and how it was made, or a video on how they made this new bag, would be more motivating to buy?

DB: Yes, absolutely.

I: In your opinion, how would you judge luxury brands' ability to combine offline and online brand marketing? Because we see not many best-case examples of this in luxury. And they often have a hard time combining in these two, so… What would you think is the explanation behind this?

DB: I think that all brands have difficulties combining online and offline activities, they're struggling with online activities. Definitely. And… It's not only luxury brands, but all brands. And also if you look into other sectors or other industries outside the fashion and lifestyle sectors, you see that other producers are struggling. If you look into architecture, furniture etc. etc. the picture is more or less the same. It is still early days for producers to create inspirational online presence, so we're not at all there yet. So of course we're all much more experienced in meeting the customers and creating some particular offline, and that's also why you see these impressive luxury shops in the capitals of the world. Whereas the websites and social media presences are often very weak. But having said that of course we're all thinking Burberry, who managed to create something, out of the ordinary online, taking that online presence and developed it into a new shop in London. They just spearheading… they're light years ahead of everybody else. So, it can be done, but having said that of course when you see that so many other brands they don't know yet quite how. It only illustrates how difficult it is… and that there is no one single formula for this.

I: Okay, but it would be an advantage to be a social media champion and also having success with offline media.

DB: Yes, it would. And one of the challenges of course is to create the same experience of the brand online and offline. And that's… I think you can do that. You can create these wonderful websites for the social media, they have a different position discussing this experience dimension. Because the kind of experience you have on social media, is a different one. It's more… It's smaller, it's quicker… You know, it's like you just pass… Things are just passing by because they're rolling down, you scroll your wall or your Facebook profile or whatever. And they don't have the same space or physical space or time for creating this experience. And that's one of the tricky aspects of this.

I: So you think of time as one of the challenges… But what do you think about… Is it the… Could it also be the ability to understand the contradiction between offline and online, and what

about the funding, the money it actually takes to build up this ability and understanding of this media?

DB: Of course it takes funds so... It's very expensive to... it still is... to create online experiences. And this is what the purpose is just right now. But before long the prices for that will fall as well so... What remain the obstacle that we experience today the price will diminish for online presences. But still the understanding of combining offline and online... that won't come from lowering the price. But it's a little bit also trial and error I think.

I: When a TV commercial is 'aired' one must consider the time aspect to hit the right target group, do you think this also matter on social media platforms? Does time – does that matter?

DB: When you say time, are you thinking of time of the day?

I: Yes, time of the day. Time when you're instant message hits somebody's news feed.

DB: It does... I think LinkedIn had a statistics on that recently, I saw something something... But I see so much I don't know where. But definitely something to look into for brands. And that's part of the media habits of their customers and they have to look into that as well.

I: What is a 'like' worth to a brand? A mass market brand.

DB: That's a million dollar question isn't it? What's its worth... and the reason why we keep asking this question these days, is that we realise that a like is not necessarily... It doesn't convert into sayings. So the difference between likes and sayings is still there, there is a gap between the two. And then you can say: is it worthwhile trying to make something on social media if you don't sell anything? But I think it should be regarded more as a long-term investment. A like or trying to get likes or produce something that will give you likes is a long-term investment, because you have to be... in order to get to the sales part, you have to be top of mind.

I: So brand awareness?

DB: Yes, it is… You have to create awareness, you have to be remembered. It's still… You're still… Brands are still struggling for attention. And that's more maybe the role of social media.

I: And do you think the value of a 'like' is any different to a luxury brand – like… what is a 'like' then worth to a luxury brand? Is it more worth? Or less? Or…

DB: I think it's the same. It's the same.

I: So is it enough? As you just said a 'like' is the beginning of something more that you can build upon.

DB: Yes…

I: So it's not enough to just get a 'like' or is it enough for luxury brand?

DB : Of course they can't pay taxes… They can't survive financially on likes. But it's an important part of today's marketing, that you are on the social media and that you get… If you're there that you do get liked. Having said that of course you may have a customer segment that are not active users, they're only passive. Meaning that they may read your posts or watch your video or follow your activities, but they won't give you feedback. And that's… That again can track to …Then it's the same, it's media habits… You need to know the media habits of your segment, because maybe they are on the social media, maybe they enjoy what you're doing as a brand. But then, that won't tell you because that's not the kind of people they are. You have to figure that out.

I: After all this, what would you say are the key premise for creating a luxury brand in a digital era? In a social media era so to speak.

DB: The key premise is that you understand… That you know your customers.

Appendix 4
Interview with Else Skjold
November 9, 2012

ES: Else Skjold
I: Interviewer

I: Taking the traditional understanding of a luxury brand into consideration, how would you define the modern luxury brand?

ES: I think that a luxury brand at any time should represent something quite inaccessible and something precious that is not for everyone to have. So whereas that is in the shape of expensive materials or expensive production in man hours for… And I think to my mind there should be a present where you can buy such cheap clothing, there should be an element of human labour in the product. And I find that there is a schism in the whole history of luxury brands, because often they have a long history and go back to post-hume designers who are not amongst us anymore. And this is what they draw upon very much… On heritage and tradition because they appear mainly to… not aristocracy, but at least the well-off upper class in society. And that's what they should do, that's their main target group I would say that they have to please. And they have quite conservative values, so it should be something old, something well esteemed and so forth. So I can see there are problems with becoming modern in that sense. How can you at one time have the history back in time and be modern and new and contemporary?

I: How do you think social media could be relevant for luxury brands?

ES: When I saw your questions I thought about how the magazine Vogue represents itself on Facebook. I think what it provides is this old idea of fashion, as a dream or a fantasy and something fantastic and inaccessible and very beautiful. So it's in that sense… It's a mirror image we can strive to be or we can dream about being or we can dream about being some of it. But it does not address our everyday normal lives. And I could see luxury brands tapping into that kind of… a discourse of fantasy.

I: A strong visual focus?

ES: A strong visual focus yes.

I: And do you think that it could unfold in communication as well?

ES: I think they already do it in the sense that. As I already mentioned in the last question, that they try to draw all the time, draw references back in time. And all the old well-esteemed luxury brands they will have pictures back in time… or imaginary. I see Vogue also going back to former campaigns or former history and representing something fantastic from another decade or era. And in that sense builds this idea that they have their own take on beauty or our notions of beauty have been born together with these mastodons in our culture, which I see them as being.

I: What kind of challenges do you see for a luxury brand when entering into a social media context?

ES: Of course I see the main challenge is that they could be watered down. And that at present all brands are trying to place themselves in social media somehow, and they are considering what they should do with blogging, which is now not a completely new phenomenon but it still hasn't been settled completely. It caused stir in the power structure of fashion, definitely. And perhaps a social media such as Facebook can also stir up a bit these power structures, because who will be the best at getting likes or people who want to join the group.

I: So a medium for the masses?

ES: Yes, because I think that what… before we started using the Internet as we do today, we had the major fashion centres, the four fashion clusters in the world. And we had dominating fashion magazines that again and again confirmed that this is… these are the brands that decide what becomes fashionable now. They were the gatekeepers, and now there are all kinds of new gatekeepers, and I think it's very confusing for these brands. And they have to really be careful of not experimenting in a way where they fail and they get it wrong and they water down all these core values that they still have, because throughout the whole new luxury wave it has been disseminated so broadly, so now they have to pull back and retire from being so easily accessible some way. And doing that and at the same time appearing in social media where they want to get as many likes or group members as possible is of course a contradiction that they need to balance very carefully I think.

I: Okay, so that are the main risks and challenges. And you actually answered the next question about traditional media application versus this new one. But you also mention gatekeepers – who would be the gatekeeper in social media?

ES: That's a tricky one because we saw the blogging phenomenon grow and there were many ideas that this would be a huge democratisation of fashion and everybody could just say what could be in fashion, and we could all have groups whether we were old or young and fat or thin. And there are also groups like this but I think what happened is that we just had some new gatekeepers sitting on alternative places than the traditional ones. But with Facebook it is a tricky one because you don't have this person, this fashion editor like you have in her royal vogueness… Anna Wintour. You know persons like that. It's difficult because a Facebook site should be neutral, it should be from the brand itself, so who is the gatekeeper and who is the editor. Should there actually be a person or what should they do about this?

I: One might argue that it could be the users who are the new gatekeepers. They're closer to the brand than before.

ES: Yes, but they don't get to decide what should be on the site, that's the problem. Because I think a gatekeeper is… if you take the fashion system as it has been defined by Roland Barthes and Yanuya Kawamura, then it's a system where you have very high-up gatekeepers that simply decide… Sometimes they decide if a designer should be popular or not. Or known or not. And they decide that these cities are the main fashion cities in the world. And we can consider these and these and these, but we only consider them. And I can't see Facebook members being gatekeepers in that sense. But I can see them deeming a site in or out, because of it's amount of members of course.

I: But in terms of content for example, the brands are maybe also more empowered than earlier because if speaking about Vogue for example someone else would choose what was being promoted from each brand, and now they are able to promote all of their messages if they want.

ES: I can see that… And namely there's the model in… Because I collaborate with Mads Nørgaard I follow his site, and he has guest editors and sometimes he has artists or… And I could see an alliance – the traditional alliance between celebrity, art and fashion, in that sense that you have guest editors who maybe choose from their library of footage or… and choose out what they like from say Burberry's historical campaigns or something like this. I could see them build on that alliance.

I: I think that's actually very interesting, this revolution might initiate luxury companies to hire an editor of social media platforms.

ES: If you want a gatekeeper then you need an editor function, because otherwise the power relation will be turned upside down, and that's not what people expect from a luxury brand.

They expect the dream. And we are normal… who visit Facebook, we are not the dream creators. The dream creator is the gatekeeper, who says 'I choose this or I choose that'.

I: This is very much linked to next question: Is there a contradiction between the elitism and exclusiveness of a luxury brand and the ultimate democratic nature of social media?

ES: Yes, of course there is. Because the whole idea about something being luxurious is that it is not for everybody. At least I would say so. Especially when we talk about fashion and the landscape and how the economy structures are at the moment. I mean, then we should have a whole other system and we don't.

I: As traditional luxury branding theories seem to be very dependent on exclusive yet traditional media platforms, how does social media – in your opinion – propose an opportunity and/or threat for current luxury brands?

ES: I see, as I suggested before, and I am only thinking along as we talk, to capture yet another media and do the same as they have done for so long successfully. Build strong alliances between the ideals of the time that is celebrity, artists, the… you don't call it avant-garde anymore, but you call it celebs… To keep these alliances. Because if you want exclusiveness and you want to present this kind of the old idea of conspicuous consumption or inconspicuous consumption, or whatever it's called, then it needs to be top-down. So I think they just have to figure out how to do a copy-paste to new media, because the new media doesn't function in the same way. You don't sell it monthly - you do something else.

I: And that's where they need to differentiate themselves from mass-market brands, apply their old virtues and values to a new medium.

ES: Yes, I think so. And especially this function with the gatekeeper and with still building on this idea of ideals that we can strive to look like or be or… or we wish to be.

I: And according to you, what kind of relationships do you think that luxury brands should aim at creating using social media – what kind of direction should they go in?

ES: They can build relations I guess on more levels, but I think that their core target group is not necessarily their Facebook target group. As we saw after the crisis they returned to their old customers, the ones who actually have money, and they tried to, again, build on these old stories and they tried to nurture their old customers, by having limited editions and editions only for their regular customers and… so all the time differentiate the mass and the client. And this kind of loyalty, I think, with their main clients is perhaps not so relevant on Facebook, because that's a whole other relation. But what they have done so well is to brand themselves through the fashion media for everybody. Most of us can never ever buy a dress for 50,000 crowns or something like this. But we can look at it, we can be inspired, we can be happy, we can dream… and get both pleasure out of it and get an idea about our contemporary world, because that's what fashion is about, just as art or music. We mirror ourselves and our culture in it. And this function, I think, is extremely relevant for Facebook, but I am not sure they get more customers, but they get followers.

I: And do you think that consumer engagement on social media should differ between different types of luxury brands? Like H&M-Marni, Burberry, Acne, and Prada.

ES: Yes, definitely. Acne I think… Burberry and Prada is somewhat similar, but Acne is a whole other story, and Acne's history is so different, it's new and it's all about the creative class and building creative networks all around the world. It's a whole other scene that they speak to. So maybe it's… When I talk about luxury brands, I talk about brands such as Burberry or Prada or Louis Vuitton or…The well-established, old, traditional luxury brands. I am not even sure I agree Acne is a luxury brand…

I: What kind of measures do you take into consideration when you talk about a luxury brand?

ES: As I started out by saying I think when I… I think the word luxury brand and I see who brand themselves as being this… words such as heritage, such as old money, old families, old traditions, discreteness, elegance, inaccessibility, and I think there I see Acne as much more democratic fashion somehow. So they should play it completely different.

I: If we then consider for example a brand like Tom Ford. It is actually a rather new brand but very expensive and celebrity-focused. Considering the non-heritage, would you deem it a luxury brand?

ES: He did something extremely clever the year where he said that he couldn't photograph his new collection, you had to wait. They have the exclusiveness, because he knows he cannot just do the same as the old brands, he has to establish this exclusiveness by being very clever and strategic in the way he displays his styles. And I think he also… In his shop in New York it's very much made like in old boudoir style, that is so much about the old Hollywood, glamour. And he also draws back to the old aristocratic style in England with the real old families. So he is quite strategic in trying to replicate it without ever saying that he is the same.

I: To draw the focus back on social media, do you think that is there a difference between a non-heritage brand, like Tom Ford, and a heritage brand's usage of social media?

ES: In the sense that… If we take this model, if we take this Vogue model that I suggested, then of course Tom Ford doesn't have ninety years of a library full of styles and drawings and photos. And he has to do something else.

I: I don't know if you have seen Tom Ford online on Facebook, but his angle is actually kind of interesting. Because he hasn't paid that much attention to the social media, so it has become more of a celebrity channel, and more about publishing the people wearing the brand from gossip magazines. And actually this leads back to what you said about watering out your own brand. His brand that's so much about exclusiveness, consider his 'Tom Ford one thousand', where he designs different homes and yachts for people, it's… he actually takes away quite a

lot of the exclusiveness on Facebook, but it's… It's interesting also when the brands know and are aware about the medium.

ES: I think he has… He's been quite clever in this. Everything is being watered down because we have so massive media that we have. That everything is posted all the time, and everything is shown, nothing is secret anymore. So you have to take something back to get the power back. If you want to hold on to this exclusiveness or this idea that you want to make something that can be admired.

I: That's interesting, because the next question is can a luxury brand create product awareness on Facebook in a relevant way? And what is your take on that because should you then not show your products to keep them a secret or should you make a strategic move about how you are showing it?

ES: I'm sure they are very insecure what to do. I was sure we would hear these discussions if we were a fly on the wall in the direction office.

I: Do you think product awareness of Facebook is a good and relevant way for a luxury brand….?

ES: As I said it really depends on the price level. Because if you sell something extremely costly, then you know that most group members on Facebook could never ever buy that. And you have to then brand that somewhere else or market that for another… It's a complete other target group. So it depends on what you want to do on Facebook. Do you want to create a hype and a following? Or do you want to sell products? If you want to sell products of course you sow where you can buy. But I mean, someone like Marc Jacobs could show all his cheap stuff, and say 'now you can buy something for this and that'. But it's… I think it would be wrong to try and sell something you can't sell in that media.

I: In your opinion, how would you judge luxury brands' ability to combine offline and online brand marketing?

ES: I think that they're still in the very experimental phase, where they're doing some attempts but they have… I don't see anyone having found the perfect balance or combination yet.

I: Do you think it could be a costly affair for a luxury brand, these attempts?

ES: It could, definitely. But if they're clever they could do something that does not cost that much. Because it doesn't… there's no human labour in lying… I mean it takes one editor to put stuff on Facebook, and maybe a small group of people. So it's not necessarily costly. But it takes a lot of effort to make the right strategy for what to post and why to post, and to who.

I: When a TV commercial is 'aired' one must consider the time aspect to hit the right target group, does this also matter on social media platforms?

ES: It depends on what time is… A TV commercial is the time of day. And I think it doesn't matter, the time of day. Because we could be on social media in any part of the world. But timing is definitely important. Timing according to where… when are the fashion weeks. What are the other brands doing, what have they been doing lately.

I: So you think that timing in terms of days and weeks is more important than minutes…

ES: Yes, and seasons.

I: What is a like worth to a brand?

ES: I mean… A lot of discussions I've watched… How much value does one like have. But of course it means that someone has taken the effort to click. They could have clicked on thousands of things on that day, but they chose to click on their brand, so they must have done

something that made it worthwhile, these two seconds. And if people don't care about or they don't feel some loyalty they will not click.

I: Do you think this is different for a luxury brand?

ES: No, but definitely, as I said before, they must reflect very thoroughly on what they actually want on Facebook, if they go into that media. Who is that they want to like them, and why. Because we saw with the new luxury… We saw very heavy hype around these brands, and they were all like reborn and they had new designers and… the whole image turned from old Japanese ladies with their dogs to young trendy people using it. And of course they want to hold on to the hype or they don't want to be forgotten again. And I'm sure that's what they're a bit scared of. So of course in that sense a like is valuable. But they can have many likes without selling anything.

I: So you're addressing whether a like is enough for a luxury brand. You should choose what kind of engagement you want with your peers.

ES: Yes, and where is Facebook – is that part of your media strategy, what is it? What should it be and what's it worth? What's in it for them? If they want to draw back and sell more high-priced products it might be… Then they should at least consider what they should be doing there.

I: What would you say are the key premises for creating a luxury brand in a social media era?

ES: It's funny, when you say this I come to think about Martin Margiela, where they actually still wear white… kitler… and they only use a fax machine. But they're actually on Facebook also. So of course I think that more and more we buy stuff on our cell phones, we communicate with each other and we also do research for what we like, and what we would like to buy before we go into a physical shop. So of course it's not enough anymore just to have a space.

I: Do you think that the physical shop and the webshop are somehow getting closer to each other?

ES: I think the combination between the digital and the physical, could be much more explored, and now I actually refer to my own research project. If you buy a textile for instance, then textile people know you cannot see on the website how that fabric feels, so of course they write 'we know the photo is lousy, you cannot have any idea about how this fabric is and how it looks like, but we can send you a little sample'. And that's very exclusive you get it home, you feel the tactility, you can smell it and you can see the deepness of the colour and the colouring and that feels very luxurious. And I think, they haven't even started to explore this sensorous aspect of dressing if we talk about fashion. And you could most easily combine… With a small click you can have samples like this, or you can… And there's also the whole problem with seeing… trying out the clothing. You cannot do that digitally. And we know that there have been so many studies on how the styles have been more and more uniform, and sizes don't match in different countries, and especially as we grow older our bodies have different curves than when we were young. But all styles are still made for a size 36 in European size. And you could also do something with fit, because what is really luxurious is to have tailor made clothes of course, that's the ultimate, that's what everybody… if they could afford this it would be fantastic. I mean, could they explore this aspect of luxury through the digital media somehow, I think it would be fantastic. Can they do that on Facebook? I don't know, but you could link to sites where you can do it. But that whole aspect has been… I haven't seen this used. And I think it's as if in the obsession with the visual and looks, fashion has forgotten all about the feeling of… the feel of clothes. And that's actually a very luxurious thing. And in all other areas, again, things as five sense marketing has been really implemented, and in some shops, physical shops, it also have scent branding and I don't know what. But could that be part of the digital media I think that would be very interesting to see that.

Appendix 5
Email interview with Francesca Rinaldi
November 22, 2012

FR: Francesca Rinaldi

I: Interviewer

I: Taking the traditional understanding of a luxury brand into consideration, how would you define the modern luxury brand?

FR: I believe that the modern luxury brand is a brand that deserves the trust and respect of the consumers, that ensures total control of the supply chain, offering a perfect product in every detail, of the highest quality.

I: How is social media relevant for luxury brands?

FR: Social media are becoming fundamental for luxury brands: they represent a way to get into more direct contact with consumers with the purpose of knowing better the customer's needs and providing a customized service.

I: How should luxury brands use Facebook as a branding and communication tool?

FR: Facebook has a great potential for luxury brands as it can be used to enhance and give visibility to all the events and advertising campaigns. Some brands such as Gucci and LV also provided some "exclusive" contents such as virtual fashion shows, creating an incredible buzz among the fashion community.

I: Which brand challenges should a luxury brand be aware of when entering into a social media context?

FR: Just like the others, luxury brands should be aware that in order to obtain results (in terms of likes, visits, comments...etc..), they should have a social media plan, which means: having specific objectives, dedicating people and budgets, monitoring the results.

I: What are the risks and challenges for luxury brands when using social media to build their brands as opposed to more traditional media applications?

FR: Risks are mainly related to the fact that they are more exposed (to nice and bad comments). The main challenge is finding relevant, interesting and original contents to share through the social media.

I: Is there a contradiction between the elitism and exclusiveness of a luxury brand and the ultimate democratic nature of social media?

FR: Just apparently. I believe it can be solved by segmenting the audience. Having a closer relationship with top bloggers is the result of it.

I: As traditional luxury branding theories seem to be very dependent on exclusive yet traditional media platforms, how does social media – in your opinion – propose an opportunity and/or threat for current luxury brands?

FR: Surely it is an opportunity.

I: How should luxury brands apply social media in their marketing strategy differently than mass-market brands?

FR: For example by offering exclusive services in the social commerce (i.e. e-shopping personal consultant...)

I: What kind of relationships should luxury brands aim at creating using social media?
FR: A one to one more authentic relationship.

I: What should a luxury brand be aware of when building customer and stakeholder relationships on Facebook?

FR: Many things...for example the fact that one could be or could be not a customer or a potential customer.

I: Should consumer engagement on social media differ between different types of luxury brands? (Considering H&M-Marni, Burberry, Acne and Prada)

FR: This question is too difficult...it could be the result of your thesis ☺

I: Is there a difference between a non-heritage luxury brand's and a heritage luxury brand's usage of social media?

FR: Not that I know.

I: Can a luxury brand create product awareness on Facebook in a relevant way?

FR: Like all the other brands. Having a social media plan and ad editorial plan, investing.

I: In your opinion, how would you judge luxury brands' ability to combine offline and online brand marketing?

FR: Unfortunately we are still at the starting point...

I: In our opinion, there seems to be relatively few best-case examples of luxury brands creating integrated marketing platforms – i.e. combine offline and online brand marketing? What do you think could be the explanation?

FR: A lot has to deal with the organizational structure and digital literacy of the managers.

I: When a TV commercial is 'aired' one must consider the time aspect to hit the right target group, does this also matter on social media platforms?

FR: Of course: in terms of age, interests, opinions etc....

I: What is a 'like' worth to a brand?

FR: It is just a like.

I: What is a 'like' worth to a luxury brand?

FR: It is just a like.

I: Is a 'like' enough for a luxury brand?

FR: No.

I: After all this, what would you say are the key premise for creating a luxury brand in a digital era?

FR: What is needed is:
- having a strong brand identity
- building a social media plan
- having the right people
- dedicate time and attention to the social media
- dedicate investments
- find the right contents (work on an editorial plan)

Appendix 6

http://articles.cnn.com/2006-10-18/us/bin.luxury.overview_1_new-luxury-goods-neil-fiske-luxury-products?_s=PM:US

New luxury caters to the middle class

October 18, 2006|By Manav Tanneeru CNN

Once the sole provenance of the elite, luxury goods are now aimed at a much bigger market -- the middle class. Brands such as Starbucks, Coach, Victoria's Secret and Evian are redefining the traditional concepts of luxury, observers say.

"If you went back to the 1930s, what you would see is that luxury goods would be used by aristocrats. It was very small market ... less than 1 percent of the population," said Michael J. Silverstein, co-author of "Trading Up: Why Consumers Want New Luxury Goods and How Companies Create Them."

"What you have today is the democratization of luxury. It's about the middle class," he said. Silverstein and co-author Neil Fiske call this the "new luxury."

New luxury products are perceived as high-quality and stylish, without being prohibitively expensive.

The authors contrast this with "old luxury" items like Rolls Royce which are luxurious, to be sure, but also financially unattainable for the great majority of people. New luxury is BMW, which is more accessible than Rolls Royce, but not as commonplace as Ford.

New luxury customers are willing to spend an amount of money disproportionate to their income for a product they consider highly important, said Silverstein who is also a senior vice president at the Boston Consulting Group.

For some people, luxury is a daily $3.50 vanilla latte from their local barista. Others spend on fancy home renovations, nice lingerie, high-end cars, monthly spa visits or expensive weekly dinners.

"I try to live frugally, but once in a while, I splurge," said Obinna Ndubuizu, a graduate student at Case Western University in Cleveland, Ohio. In addition to spending money on sporting events, he goes on several trips a year to "get away from home," he said.

Luxury products and services can help consumers manage stress and give them a feeling of happiness and accomplishment, according to Silverstein.

In addition to higher standards, a luxury product comes with a narrative of exclusivity, according to James Twitchell, author of "Living it Up: America's Love Affair with Luxury."

"There is no such thing as a luxury good. There is no such thing as a luxury object. It's just an object with a luxury story attached to it," he said.

When consumers buy the luxury good, they are essentially buying the story, which satisfies the emotional need, he said.

"Even if you are by yourself and no one sees it -- for example, no one is looking at you when you are wearing cashmere socks -- there is a sense of satisfaction," he said.

Bob Boulogne, the chief operating officer for Rosewood Hotels and Resorts, said the "trading up" trend has played a part in the company's growth over the past few years. The hotel chain, which caters to the top 1 percent of the population, has seen demand grow 20 percent since 2002, according to Boulogne.

"Customers want to have a once in a lifetime experience like a honeymoon; or it could simply be a person who wants to splurge once a year for an unbelievable vacation," he said

Appendix 7

http://blogs.forrester.com/interactive_marketing/2009/12/defining-earned-owned-and-paid-media.html

DEFINING EARNED, OWNED AND PAID MEDIA

Posted by Sean Corcoran on December 16, 2009

The terms "earned, owned and paid (aka bought) media" have become very popular in the interactive marketing space today. In fact, taken together they can be applied as a simple way for interactive marketers to categorize and ultimately prioritize all of the media options they have today. Nokia was an early pioneer in this space (see Dan Goodall's posts on the subject). They now categorize all of their global interactive media as earned, owned or bought. Many agencies, including R/GA, Critical Mass, Sapient and Isobar (my former employer) also use the model to help develop digital strategies. On top of that, many industry leaders such as Pete Blackshaw, Fred Wilson and David Armano have written about the subject.

Yet as popular as these themes have become, they're often loosely applied across the industry and essentially no one is speaking the same language. Therefore we just published research defining each type of media and providing interactive marketers with prescriptive advice on how to best apply them. Here's a summary of how we defined each type of online media and their roles:

Media type	Definition	Examples	The role	Benefits	Challenges
Owned media	Channel a brand controls	• Web site • Mobile site • Blog • Twitter account	Build for longer-term relationships with existing potential customers and earn media	• Control • Cost efficiency • Longevity • Versatility • Niche audiences	• No guarantees • Company communication not trusted • Takes time to scale
Paid media	Brand pays to leverage a channel	• Display ads • Paid search • Sponsorships	Shift from foundation to a catalyst that feeds owned and creates earned media	• In demand • Immediacy • Scale • Control	• Clutter • Declining response rates • Poor credibility
Earned media	When customers become the channel	• WOM • Buzz • "Viral"	Listen and respond — earned media is often the result of well-executed and well-coordinated owned and paid media	• Most credible • Key role in most sales • Transparent and lives on	• No control • Can be negative • Scale • Hard to measure

54869   Source: Forrester Research, Inc.

Ultimately these types of media work best together but making the hard choices of what to include and what not to include is crucial - especially when budgets are tight. But if you simply start by categorizing your media and identifying the right roles based on your

objectives, then your on the right path. Here are some high level takeaways that you should consider when developing your 2010 interactive media strategy:

Create a solar system of owned media. Owned media is a channel you control. There is fully-owned media (like your website) and partially-owned media (like Facebook fan page or Twitter account). Owned media creates brand portability. Now you can extend your brand's presence beyond your web site so that it exists in many places across the web - specifically through social media sites and unique communities. In a recession in which marketing budgets are being cut by 20%, the ability to communicate directly with consumers who *want* to engage with your brand through long-term relationships can be invaluable.

Recognize that earned media is a result of brand behavior. "Earned media" is an old PR term that essentially meant getting your brand into free media rather than having to pay for it through advertising. However the term has evolved into the transparent and permanent word-of-mouth that is being created through social media. You need to learn how to listen and respond to both the good (positive organic) and bad (spurned) as well as consider when to try and stimulate earned media through word-of-mouth marketing.

Your paid media is not dead, but it is evolving into a catalyst. Many people are predicting the end of paid media (aka advertising). However, that prediction may be premature as no other type of media can guarantee the immediacy and scale that paid media can. However, paid media is shifting away from the foundation and evolving into a catalyst that is needed at key periods to drive more engagement(e.g. Q4 holidays).

Appendix 8

http://www.forbes.com/sites/christinecrandell/2012/03/08/what-does-the-extinction-of-

dinosaurs-and-social-business-have-in-common/

What Do the Extinction of Dinosaurs and Social Business Have in Common?

Christine Crandell, Contributor

3/08/2012

A failure to adapt is the failure to survive.   In the 1920s the average lifespan of a company was seventy odd years, today its fifteen years according to Dave Gray of Dachis Group. Organizations today are dinosaurs; stubborn, lumbering beasts fighting adaptation. Fortunately (or not) the 21st century is the equivalent of the Mesozoic age before the big meteor or [insert your favorite theory here] wiped the dinosaurs off the map. Social is today's extinction event for organizations. Companies need to adapt or they will fail to survive.

Dachis Group, a social business SaaS solution and services provider, kicked off their global Social Business Summit in Austin, Texas today fittingly to coincide with the

annual launch of SXSW. Billed as a gathering of social business thought leaders and practitioners this is a very different conference. Held at the "W" hotel in Austin, there was none of the deep bass, heart reverberating production with rock star –status seeking CEOs and their entourage of cult fans so prevalent at many vendor conferences.

Instead, Dachis borrowed the format from TED with 30 minute presentations, no Q&A, and plenty of networking time. No one talked about PPC, SEO/SEM, social selling on Facebook, or painted lofty visions of social media. The conference focused on what it meant to be a social business and practical strategies for becoming one. Theories were balanced with realism and lessons learned.   Dion Hinchcliffe outlined six social success factors:

- Listen, analyze, and engage, continuously
- Integrate social into the flow of work
- Plan for change and the unexpected
- Turn on the network effect
- Remove barriers to participate
- Enable everyone to participate

According to Jeff Dachis, CEO of Dachis Group, social is the currency of engagement. While social technology has introduced a seemingly endless array of new interaction methods, in the end it is all about solving real business problems. Companies do not become social businesses for the heck of it. They embrace social to solve specific business problems because it offers a more effective way of doing talent management, supply chain collaboration, business agility, risk management, and more successful products to driving revenue. Social drives adaptation.

The state of social is not what you might expect. Sandy Carter of IBM shared that governments and regulated industries have the highest adoption rate of social. Eighty four percent of the top thirty five banks have a social media strategy and all G7 governments have embedded social in their Government 2.0 initiatives. At a country level, German companies are the leading adopters of social business practices and are the most successful at it. These companies embedded social first internally by folding it into their processes and getting that to work before extending social externally to engage with customers.

Through the lens that social is about solving real business problems, the question becomes just how to wade through all the hype, myths and hubris to realize (and prove) its potential.   Embracing the organizing principles of social business comes down to change management. You know the drill, you've been through it before - it starts with people, process and ends with technology. The exact opposite of what is being advocated by the thousands of technology vendors and consultants shouting from the social bandwagon.

The process of embracing social begins with setting a clear strategy rooted in a business problem. US Cellular, Kraft Foods, and Discover Financial Network reiterated that culture change is the number one determinate of social success. According to IBM, overcoming the organizational challenge is 1.8 times harder than the technological obstacles of social.

Why? Companies have for 100 years been focused on optimizing work, breaking organizations into specialized silos to drive efficiency, and managing top-down. It was all about control: Commanding employees, controlling margins, and managing customers. In the currency of engagement, control is thrown out the window. In fact it is an inhibitor to growth.

It's easy to understand why the "people" part of change management is so critical. The culture dilemma exists from the CEO's office down. Culture change starts by setting a business goal, a singular goal, and aligning the company's culture to achieve that goal. The culture evolution includes new ways of organizing and training employees on what their role is and what appropriate social behavior is.   With that as the backdrop it's easy to see why the leading social "businesses" like Bayer and CEMEX started by adopting social internally. Perfect that and you have a foundation from which to scale interactions, processes, and address more complex business problems.   David Armano of Edelman Digital said it well, "Social is a layer that needs to be woven into the fabric of the organization."

The speakers all pointed to a social business maturity curve and a ten-step on ramp:
1. Establish a business case and social strategy that solves a real problem.
2. Gain organizational alignment around a shared vision.
3. Listen to the sentiment of the market.
4. Get your employees ready for change by involving them in the change process.
5. Pilot the social solution and measure the results.
6. Develop realistic roadmaps made up of short mini-projects.
7. Continually train, educate and inform employees and stakeholders.
8. Break your organization up into small semi-autonomous pods.
9. Integrate social across the organization.
10. Extend social externally and measure results.

We're early in this transformation and it will take some time for the dinosaurs to wake up. "There are a lot of ways to model a social business," shares Peter Kim, Dachis Group's chief strategy officer. "It's not just external or employee-to-employee, it up, down and across the organization. That's the place to start."

Social technology vendors, heads up, you need to take a page from the Dachis book and start talking about what business goals can be achieved through social. Kim goes on to say, "Technology is the catalyst but change management is what integrates social into organization. Culture becomes the make-or-break of social success."

Appendix 9

http://www.trendwatching.com/trends/flawsome/

April 2012 Trend Briefing: **FLAWSOME**

FLAWSOME definition:
Consumers don't expect brands to be flawless. In fact, consumers will *embrace* brands that are FLAWSOME*: brands that are still brilliant despite having flaws; even being flawed (and being open about it) can be awesome. Brands that show some empathy, generosity, humility, flexibility, maturity, humor, and (dare we say it) some character and humanity.

Two key drivers are fueling the FLAWSOME trend:

• **HUMAN BRANDS**: Everything from disgust at business to the influence of online culture (with its honesty and immediacy), is driving consumers away from bland, boring brands in favor of brands with some personality.

• **TRANSPARENCY TRIUMPH**: Consumers are benefiting from almost total and utter transparency (and thus are finding out about flaws anyway), as a result of the torrent of readily available reviews, leaks and ratings.

* Yup, FLAWSOME is by far our most cringeworthy trend name. But we bet you'll remember it ;-)

HUMAN BRANDS
FLAWSOME sits as part of a bigger trend towards HUMAN BRANDS, something that we've touched upon in many previous Trend Briefings.

So, while HUMAN BRANDS might not be a 'new' theme, four currents are now converging to make consumers more focused on brand attitude and behavior than ever before:

> "...human nature dictates that people have a hard time **genuinely connecting** with, being close to, or really trusting other humans who (pretend to) have no weaknesses, **flaws**, or mistakes"

1. Consumers' disillusionment at corporate behavior has (finally) spilled over into **outright disgust**. As a result, any brand that can show business in a new light will be (deservedly) welcomed with open arms.

   ◦ Nearly 85% of consumers worldwide expect companies to become actively involved in promoting individual and collective wellbeing; an increase of 15% from 2010 (Source: Havas Media, November 2011).

   ◦ Yet only 28% of people think that companies are working hard to solve the big social and environmental challenges (Source: Havas Media, November 2011).

2. Consumers are more and more aware that **personality and profit** *can* **be compatible** (think

Zappos, Patagonia, Tom's, Ben & Jerry's, Michel et Augustin, Zalando and more). With every business that succeeds while remaining reasonable, helpful, fun or even somewhat 'human', consumers will become increasingly disenchanted when dealing with traditional, boring, impersonal brands.

  ◦ Most people would not care if 70% of brands ceased to exist (Source: Havas Media, November 2011).

3. **Online culture is *the* culture**, and inflexible, bland 'corporate' façades jar with consumers who live online where communication is immediate, open and raw (also see **MATURIALISM**). What's more, people openly broadcast and share their lives online - flaws and all - and thus brands are increasingly expected to do the same.

4. Last but not least: human nature dictates that people have a hard time **genuinely connecting** with, being close to, or really trusting other humans who (pretend to) have no weaknesses, flaws, or mistakes - don't assume brands are any different.

TRANSPARENCY TRIUMPH

Alongside this craving for personality sits a deluge of reviews, remarks, ratings, reports, leaks and so on. We discussed **TRANSPARENCY TRIUMPH** way back in 2009; three years later, consumers can benefit from **near-total transparency**.

And 'transparency' will continue to be one of *the* key 'big business themes': from **frictionless sharing** by individuals to the visualization of previously invisible data (see our **DIY HEALTH** trend), to the forced transparency that the Wikileaks of this world brought to governments, brands, institutions and individuals. Prepare for a world in which *everything* (attitudes, prices, quality, behavior) *will* be completely accessible and therefore potentially outed as 'flawed'.

So, with consumers likely to find out everything about your products, services and activities anyway, you have no option but to embrace if not celebrate them, flaws and all.

Two things to bear in mind:

1. Flawlessness is an illusion, and indeed a harmful one. Isolated negative reviews don't kill brands. In fact, the opposite applies: people's trust in positive reviews appearing alongside them increases. Consumers aren't stupid: they know that no products will satisfy everyone all of the time. Some stats:

  ◦ 68% of consumers trust reviews more when they see both good and bad scores, while 30% suspect censorship or faked reviews if there aren't any negative comments or reviews (Source: Reevoo.com, January 2012).

  ◦ Shoppers who go out of their way to read bad reviews convert 67% more than the average consumer (Source: Reevoo.com, January 2012).

2. Things *will* go wrong. While consumers have never been able to complain more vociferously, brands too can react and respond. If handled well, even flaws can be made FLAWSOME, and reputations mended if not made.

  ◦ 76% of people who complained on Twitter received no response from the brand. But

among those who were contacted, 83% liked or loved that the brand responded, and 85% were satisfied with the response (Source: Maritz Research, September 2011).

BETA BUZZ

And of course, FLAWSOME is also about companies opening up the way their customers have already opened up online. Introduce beta, not-yet-perfect products and services*, and rely on the crowds for feedback and advice.

We're not advocating launching sub-standard products, but many brands could learn lessons from the software industry and their 'beta' approach. Customers will of course often appreciate and even enjoy helping you improve.

FEEDBACK

Far from fearing customer feedback, brands can celebrate it:

Four Seasons website integrates customer comments

The **Four Seasons** luxury hotel chain overhauled its website in January 2012 to include customer reviews from TripAdvisor and comments from Facebook and Twitter. Comments are placed prominently and users can click through to external content, something that is still a rarity on luxury brand websites.

Starwood guest reviews

Starwood Hotels also started publishing customer reviews on their website in October 2011, although the reviews are collected internally rather than sourced from external sites.

Smashbox Social Shop

Beauty brand **Smashbox's Social Shop** shows Facebook 'Likes' and comments alongside specific products. Users can also see products that their friends have commented on or liked.

Theaters trial 'Tweet Seats'

A number of theaters, including Connecticut's Norma Terris Theater, are experimenting with reserving special seats where audience members who want to discuss the performance via social media can continue to use their mobile devices. The seats are often in the back row to avoid distracting other (non-tweeting) members of the audience (via **USA Today**).

Chevrolet Car Hunters

Inspired by HGTV's House Hunters, in September 2010 Chevrolet commissioned a **TV series** in which customers looking for a new car drove vehicles from themselves, Honda and Toyota and gave their opinions. To ensure impartiality, the brand employed the research company GfK to conduct the test drive. Chevrolet came out on top in 43 out of 70 tests.

Esurance: Insurance for the modern world

Allstate-owned Esurance released a **new campaign** in December 2011 asking what makes a company trustworthy? The commercial suggests that hearing what a company's customers have to say is the most reliable answer, and encourages potential customers to check out the brand's **Facebook page** to see what customers really think of their service.

BZ WBK's Bank of Ideas

In Poland, one of the country's main banks BZ WBK hosts the **Bank Pomysłów ('Bank of Ideas')**, where customers can publicly suggest how the bank could improve its service or introduce new facilities. Ideas can be voted up or down by other customers, and the bank has implemented over 300 customer suggestions.

"Online culture is **the** culture, and inflexible, bland 'corporate' façades jar with consumers who live online where communication is immediate, open and raw"

TAKE IT OR LEAVE IT

For many brands, customer *dis*like is something to be celebrated:

Miracle Whip: We're not for everyone

Kraft Foods' **Miracle Whip** brand launched a campaign in February 2011 with the slogan, 'We're not for everyone. Are you Miracle Whip?'. The brand's YouTube channel featured celebrities expressing their love (or disgust) for the mayonnaise-like condiment, while viewers could vote for whether they loved or hated the sauce. By February 2012, 60,000 people had 'loved' the brand while only 4,000 had 'hated' it.

Marmite: Love it or Hate it

Marmite, a savory yeast-based spread popular in the UK, has run a similar campaign for a number of years with the slogan: 'Love it or Hate it'. The brand's website asks consumers if they are lovers or haters, and depending on which is clicked, consumers are given recipes to "ruin" a sandwich (for the haters) or for sandwich "heaven" (for the lovers). The site also links to specific Facebook pages run by Marmite where the brand encourages both praise and abuse for the spread.

Alamo Drafthouse Theater: Texting not tolerated

The Alamo Drafthouse Theater in Austin, Texas has a policy of evicting customers who text or call during screenings. After such an incident, an angry customer left a **voicemail**, which the company posted on YouTube, where it has received 2.5 million views (Warning: contains strong

language).

Lululemon: Sh*t Yogis Say

Canadian yoga equipment manufacturer Luluemon released a video in December 2011 entitled **Sh*t Yogis Say**. Inspired by the web comedy series Sh*t Girls Say, the video pokes fun at middle class yoga lovers that are the brands' core customers. With only 250 'dislikes' from over 1.5 million views, it looks like the brand hit the right note.

Ruffles' AirBag infographic

In Brazil, customers were complaining on Frito-Lay's Ruffles Chips Facebook page about the ratio of chips to air in each packet of chips. Ruffles created an **infographic** showing the journey of the chips from the factory to stores, and explaining how the air acted as an airbag and protected the chips.

Ritte Racing: Made in China

Racing bike buyers often favor cycles that are made in France, America or Italy due to the perceived superiority. However, Ritte Racing, a Californian cycle manufacturer, tackled this head on, by writing a detailed **blog post** explaining the cost benefits of manufacturing in China.

ON THE MEND

It's not about being perfect, it's about being FLAWSOME when you mess up:

Domino's Pizza Turnaround

*Image courtesy of **Russ Frushtick***Possibly the quintessential FLAWSOME example is **Domino's Pizza Turnaround** campaign, started in 2009 after employees posted a negative YouTube video. In July 2011, the brand continued their transparent approach with a month-long promotional campaign in New York's Times Square, live-streaming (good *and* bad) customer feedback onto the digital hoarding.

FedEx: Absolutely, Positively, Unacceptable

In December 2011, a video of a FedEx deliveryman **throwing** a customer's monitor over their fence on YouTube received over 3,000,000 views within 48 hours. Rather than ignoring the scandal FedEx immediately responded in kind. In a blog post entitled **'Absolutely, Positively, Unacceptable'** and accompanying video of their own, Fedex apologize and explain that the offending video is now being used within the company to show employees what not to do.

"Consumers are more and more aware that **personality and profit can be compatible**"

Johnson & Johnson: Personal power ballad

When Johnson & Johnson announced in late 2010 that their popular o.b Ultra tampon brand would be discontinued, outraged customers launched a 'girlcott' of J&J products and set up a **website** with a petition calling for the brand to reconsider. In December 2011, Johnson & Johnson reinstated the o.b Ultra brand and produced a microsite where viewers could fill in their names and receive a personalized power ballad **apology video** and a coupon for the tampons.

Bonobos' epic Cyber Monday fail

Bonobos, the online male fashion retailer, experienced significantly difficulties in processing sales during their Cyber Monday promotions, resulting in some customers being charged without their order being recorded. As a result, the retailer closed the site (during the busiest shopping week of the year), and promised customers that they would rerun the same promotions when the issues were resolved. After the event, a team member posted a **detailed account** of the experience on the Q&A site Quora.

Virgin America: Tweet by Tweet

When Virgin America upgraded their **reservation system** in November 2011, a number of passengers experienced difficulties and complained via Twitter and Facebook. Rather than delete the negative comments, or reply with a generic apology, Virgin America replied to each and every customer about the particular problem that they had encountered, sending over 12,000 direct messages in the weeks after the upgrade.

Red Cross – drunk tweet inspires blood and money donations

When a Red Cross employee accidentally tweeted that they were planning to get drunk (with the hashtag #gettngslizzerd) from the Red Cross Twitter account and not their personal account. Rather than try and hide, the Red Cross **tweeted** "We've deleted the rogue tweet but rest assured the Red Cross is sober", and later admitted on their blog, "While we're a 130-year-old humanitarian organization, we're also made up of human beings." Indeed, the organization's Twitter followers were overwhelmingly positively and some even pledged donations while using the #gettngslizzerd hashtag to show their support.

Lagunitas Brewery: We Suck

In November 2011, **Lagunitas**, a craft brewery from Northern California weren't able to produce their popular Brown Shugga seasonal ale. Instead, it released a substitute called Lagunitas Sucks Holiday Ale: Brown Shugga Substitute, with an apology: "There is no joy in our hearts and the best we can hope for is a quick and merciful end. F*@& us. This totally blows. Whatever. We freaking munch mouldy donkey butt and we just want it all to be over."

Lynx video apology after risqué ad ban

Unilever's UK body spray brand Lynx (Axe in the rest of the world) was forced to remove a

series of risqué online ads following a number of complaints. In response, the brand released a **follow-up video** with Lucy Pinder, the model in the original series, glumly handing back the props used.

Chipotle: No bacon please

In July 2011, when a customer found out that the Chipotle Pinto beans, which he had been ordering for years, had been cooked with pork, he took to Twitter to air his **grievances**. That day he received a personal phone call from the CEO of the restaurant apologising and promising that going forward, all Chipotle restaurants would include this information on the menu. Chipotle's quick response, apology (from the CEO!), and active solution turned a bad situation into a **positive one**.

Vodacom CEO pitches in on Twitter

In July 2011, when South African telecommunications operator Vodacom's network failed, **CEO Pieter Uys** took to Twitter to address critics personally, and continued tweeting until after 11pm when the problem was fixed.

Innocent Drinks: Wrong voucher

*Image courtesy of **CopyBot***In April 2011, Innocent Drinks, a UK based smoothie manufacturer, sent out an Easter card with a coupon attached. However the barcode was incorrect, and the coupon could not be redeemed. In response, the brand sent out an **email** apologizing to all recipients, saying that they would replace the coupon with one that worked. They finished the email suggesting that customers could "keep [the old voucher] as a memento of our stupidity."

Mailchimp: We'll make it up to you

*Image courtesy of **Pixsym*** In July 2011, **MailChimp**, an email marketing provider, experienced an issue with some customers' signup forms. Unable to discover exactly which customers were affected (or who had even noticed the error), MailChimp sent out an email to anyone who they suspected might have been affected inviting them to contact the support desk and promising to "work with you to find a way to make it up to you". The brand linked to their Facebook page in the email so that customers could comment publicly. The result? Overwhelmingly positive feedback.

FLOPS
Some examples of what not to do ;-)

Chrysler's Motor City jibe

In March 2011, the author of the ChryslerAutos Twitter account inadvertently tweeted "I find it ironic that Detroit is know as the #motorcity and yet no one here knows how to f*cking drive". Chrysler's reaction was to delete the tweet and **claim** that their account had been compromised. The company later announced on their **blog** that the tweet had come from an employee of their

social media agency, "who has since been terminated". The brand was criticized for its attempted cover-up, corporate inflexibility, lack of understanding and inability to make light of the situation.

Boners BBQ attacks customers

Of course, social media transparency works both ways. Something which **Boners BBQ** learned after posting a picture on their Facebook and Twitter accounts of a customer who they claimed left no tip. The attack was attributed by many to the fact that a 'Stephanie S.' had left a negative Yelp review the day before. Note: this is most definitely not FLAWSOME behavior ;-)

Gaopeng & the case of fake Tissot watches

In October 2011, Gaopeng, the Chinese joint venture between Groupon and Tencent, ran a deal on Tissot watches. However, after the deal was complete, many buyers complained that the watches were counterfeit, later confirmed by Tissot. It took until November for Gaopeng to publicly admit that the watches were indeed fakes and **apologize**, by which time the brand had been heavily publicly criticized via social media.

Food bloggers sued by restaurants

Best Burger in Oman threatened to sue a blogger for publishing a **mildly negative review**. This follows a similar case brought by **Benihana** in Kuwait. In both instances, popular opinion was wildly behind the bloggers, and search results for the businesses quickly turn up stories about the cases. Again not FLAWSOME ;-)

Opportunities

It is always important to move with the zeitgeist, but in the case of FLAWSOME, and HUMAN BRANDS at large, it's **essential**. FLAWSOME is ultimately about having a mindset that consumers can relate to. A mindset that is open, honest, trusted and possibly even respected.

Feel FLAWSOME is too big a topic to take on? Then while true FLAWSOMENESS will never *just* be about a single moment or initiative, or heaven forbid, about inventing a few 'flaws-that-aren't-really-flaws' in an attempt to 'connect' with consumers in an 'honest' way, there are of course always places to start. Just remember to follow through, because without the awesomeness, you're just flawed ;-) Consider:

- Embrace customer feedback. And not just by enabling product reviews (so 2007 ;-), but have the confidence to publish unadulterated feedback, and allow users to easily see the original source. They'll look anyway.

- With some review sites now being de facto industry bibles (think TripAdvisor and travel, or Yelp and restaurants), expect brands to incorporate reviews directly from third party sites into their own, thus avoiding any hints of impropriety or massaging. And with people continuously venting on social networks, watch for tools that allow users to see

any comment relating to a product or service, however or wherever it's uttered. Because *not* bringing them this information is just inconvenient (and thus not very human).

- Build a culture of openness. You can never really plan for a crisis, but you should be able to trust your employees to take the initiative and speak openly if one hits. Don't let your legal department near your apology, most lawyers aren't FLAWSOME.

Appendix 10

http://blog.nielsen.com/nielsenwire/nielsen-news/trust-in-advertising-–-paid-owned-and-earned/
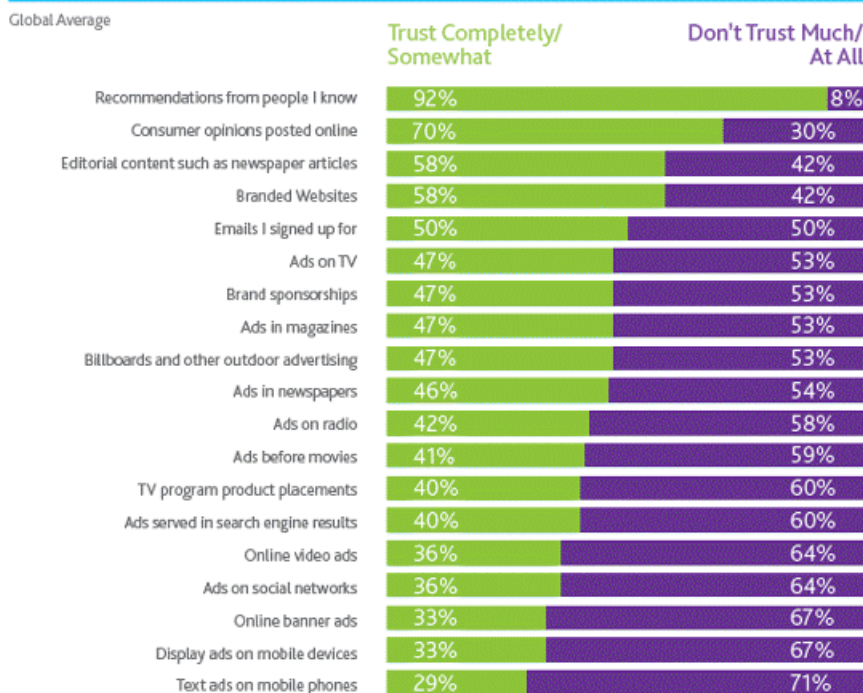
Trust in Advertising – Paid, Owned and Earned
September 17, 2012

by Randall Beard, Global Head of Advertiser Solutions, Nielsen
In a recent Nielsen global study, all forms of paid advertising—TV, print, digital, radio— showed a gap in the "trust factor," with a majority of respondents reporting that they don't trust each type much or at all. Conversely, and not surprisingly, "recommendations from people I know" scored highest on trust, with 92 percent of consumers trusting this source completely or somewhat. Owned media, such as brand websites, scored higher than paid advertising but lower than social recommendations. Yet advertising as a medium continues to thrive, with ad dollars on the rise globally and in many markets around the world.

Trust in Advertising – Q3 2011

To what extent do you trust the following forms of advertising?

Global Average

	Trust Completely/ Somewhat	Don't Trust Much/ At All
Recommendations from people I know	92%	8%
Consumer opinions posted online	70%	30%
Editorial content such as newspaper articles	58%	42%
Branded Websites	58%	42%
Emails I signed up for	50%	50%
Ads on TV	47%	53%
Brand sponsorships	47%	53%
Ads in magazines	47%	53%
Billboards and other outdoor advertising	47%	53%
Ads in newspapers	46%	54%
Ads on radio	42%	58%
Ads before movies	41%	59%
TV program product placements	40%	60%
Ads served in search engine results	40%	60%
Online video ads	36%	64%
Ads on social networks	36%	64%
Online banner ads	33%	67%
Display ads on mobile devices	33%	67%
Text ads on mobile phones	29%	71%

Source: Nielsen Global Trust in Advertising Survey, Q3 2011

Now What? The Convergence of Paid, Owned and Earned

Now that we've demonstrated what many of us already knew, what should we do about it? Does trust in advertising matter? If so, can we even do anything about it?

Since trust in advertising lays along continuum that moves from earned (highest trust), to owned, then paid (lowest trust), it stands to reason that brands should want more earned and owned. But can paid be given up completely? For most brands, that strategy isn't really feasible given both the broad reach and historical success associated with paid media.

Instead, we need to start thinking of how paid, owned and earned can work together to improve trust and deliver better results. Marketers continue to discuss them as if they are mutually exclusive media. They're not. And now technology is blurring the lines of paid, owned and earned media more than ever. Paid can now also be social, as social is often about paid. Owned can have paid embedded media in it. And sometimes, all three can exist in one consumer touchpoint. What's a CMO to make of this trend?

Three Examples of Convergence Between Paid, Owned and Earned

1. Paid Ads Work Harder with SocialWhat actually happens when you combine social and paid advertising? Research on Facebook ads with and without a social layer (Jimmy, Billy and eight other friends are fans of Brand X), shows that social ads generate much stronger breakthrough and purchase intent than ads without a social layer. Why? Knowing that the advertised brand is liked by our friends builds trust.

2. Paid Digital Advertising Drives Owned UsageDigital advertising can drive consumers to a brand's owned media. In the example below, we look at the effectiveness of four different brands' digital advertising in driving consumers to their respective web sites. Brands A & B were far more successful in doing so than Brands C & D.

	Brand A	Brand B	Brand C	Brand D
% of those exposed to the online display campaign that went on to visit a brand's website post-exposure	4.7	5.2	1.0	1.2
% of those not exposed to the online display advertising who visited a brand's website	0.5	0.4	0.2	0.3

3. Owned Can Work Harder Than PaidWhat about owned media? Does it work once consumers arrive? One way of understanding this relationship is to measure the off-line sales impact of those consumers exposed, versus not exposed to your brand's website. In the example below, we can see that exposure to Brand X's website drove almost three times the sales lift of paid digital ads alone.

Owned Can Work Harder Than Paid
Off-line sales impact from online exposure

$0.30 — Brand X Digital Ad

X 3!

$0.89 — Brand X Website

*Illustration

Source: Nielsen

nielsen
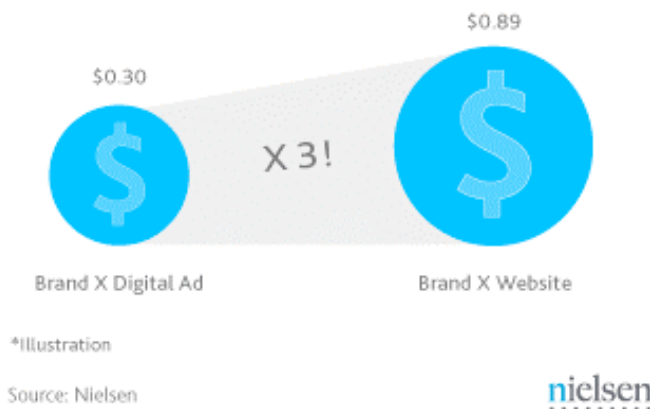
The Opportunity – Putting it All Together

Addressing the truth deficit in advertising is more than just making ads that are, well, true. It's also about how to use paid, owned and earned media to your brand's advantage.

Using the example above, why not build social into your paid advertising (where possible), use your paid ads to drive consumers to your website and optimize your site to drive maximum on or off-line purchase? Why not experiment with the myriad ways to engage your consumers across the paid, owned and earned continuum?

Overcoming the trust deficit in advertising isn't about making ads that aren't misleading or exaggerated. It's about adding in social and owned media experiences in ways that give paid media more legitimacy, enabling it to work harder for your brand.

Appendix 11

http://www.l2thinktank.com/new-facebook-timelines-will-benefit-luxury-brands/2012/

New Facebook Timelines Will Benefit Luxury Brands

Facebook Timelines have been impossible to avoid today. Everywhere from **Mashable** to **Wired** to **Ad Age** to your own Twitter feed is pulsing with news of this new feature. Well, *newish* feature. Facebook users have had access to the timeline platform for months; today, brands finally got their turn. And while these changes have been novel for you and me — the big cover photo, the easy indexing, the integration of video into a much more interactive main page — what the new format will do for brands will be even more spectacular.

This is particularly true for luxury brands, says L2 Associate Véronique Valcu, who works closely on social media strategy for the sector. According to Valcu, "The rollout of Timeline offers luxury brands the opportunity to more richly convey their history, workmanship and aesthetic." Because prestige brands are so closely associated with, even defined by the beautiful imagery of their products, the opportunity to integrate these visuals with engaging, regularly updated content within the new profile page will be extremely effective. Not only will brands attract more fans but they can inform this

younger generation about their heritage in a way that appeals to them. "The new platform allows for vivid storytelling," says Valcu. "Brands can draw heavily from what they've traditionally done in print and TV but add the critical element of interactivity to fully engage their fans."

For travel-oriented luxury, brand timelines can be used to more effectively sell the experience, not just the products and services. Reading about a great vacation is one thing, but to read about it and *see* it from a first-class flight or penthouse balcony view is quite another. For heritage watchmakers like Patek Philippe and Breitling, hi-res images shown in tandem with a detailed history of the brand's craftsmanship will help fans understand just how special these five-figure investment pieces are. And for high fashion, an industry built on glossy photos, short films, and beautiful people, the possibilities are endless.

It's hard to say who benefits more from brand timelines, the brands or the fans. I'd call it a draw.

This entry was posted on Wednesday February 29, 2012 at 1:40 pm and is filed under **Facebook**, **Fashion**, **Hospitality**, **Travel**, **Video**, **Watches & Jewelry**. You can follow any responses to this entry through the **RSS 2.0** feed. You can **leave a response**, or **trackback** from your own site.