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Digital Luxury

Understanding the role of digital marketing for luxury brands. Is it a tool for generating sales or building brand reputation?

Strategic Marketing Management

Supervisor: Peter Jarnebrant



This assignment was performed as part of the study at BI Norwegian Business School. This does not mean that BI Norwegian Business School is responsible for the methods used, the results that have emerged, or the conclusions that have been drawn.

ACKNOWLEDGEMENT

This master's thesis in Strategic Marketing Management indicates the end of two exciting and educational years at BI Norwegian Business School. The thesis represents the final step towards our graduation and a masters degree.

During our master's course, we found the fields of brand strategy, social media and brand equity highly interesting - thereby it was natural for us to write about these topics. Furthermore, we want to use the knowledge around these topics to take a closer look at how digitalization affects luxury brands.

Through our study, we have had experienced and proficient professors who have contributed to a broad understanding and deeper insight into the field of marketing management. We greatly appreciate their professional commitment, which has greatly enriched us.

We would like to show our gratitude to our supervisor Peter Jarnebrant. This is a person who has motivated us to do our best and given us noteworthy feedback. Peter's guidance has had a significant positive impact on the implementation of this thesis. In addition, we want to show our gratitude to everyone who has contributed to provide us with relevant and meaningful data through our survey.

It has been a long and demanding process to complete the master's thesis. In return, we are left with relevant experience and knowledge that will be useful in our career. We have managed to carry out the process with good support and motivation from friends and family.

ABSTRACT

The world is constantly developing in a more digital direction. As a result, the strategic choices brands make today, includes less traditional marketing (Kotler et al., 2016). However, it is argued by several experts such as Kapferer and Bastien (2015) in the field of luxury, that they are skeptical of the relationship between digitalization and luxury brands. The very core of luxury can be considered as a delicate balance between the desirable and the inaccessible - which to a large extent contradicts the seemingly increased accessibility among the population through digital advertising. The internet is a mass medium being available to the whole world, while luxury on the other hand is exclusive and rare. Thus, it may seem as if the two concepts are contradicting each other. It is argued by researchers like Dion & Arnould (2011), Hennigs et al., (2012) and Keller (2017) whether social media and digital advertising may create confusion around luxury brand attributes, such as exclusivity and uniqueness.

This study lays the foundations for investigating how digitalization affects luxury consumers' behavior as well as luxury brand identity in the digital era. Going online for luxury brands, does it lead to increased sales and customer loyalty, or could it potentially lead to cannibalization and destroy brand reputation? In addition, how or whether luxury brands can use digital marketing in relation to their identity and brand values without going at the expense of their brand image among customers. Based on this, the following research question was conducted for our master's thesis in strategic marketing management: *Understanding the role of digital marketing for luxury brands. Is it a tool for generating sales or building brand reputation?*

Existing knowledge and findings about the luxury market and the development of digital marketing are presented in the literature review. Further, the theoretical part highlights important theories within luxury branding, e-commerce and social media. Based on the theory, one can conclude that brand equity, brand image and brand identity are important concepts to take into consideration when it comes to luxury marketing. In addition, the shift from web 1.0 to web 3.0 was presented. The important luxury theories that underlie the theoretical background are as

follows: Vigneron & Johnson's model of Brand Luxury Index, the Brand Identity Prism by Kapferer and Brand Resonance Model by Keller. In addition, new and important theories were presented by Batat such as "The shift from Web 1.0 to Web 3.0", "Online Luxury Customer Experience" and "Digital tools used in the customer experience".

To be able to answer our hypothesis and underlying research question, it was most suitable to use a quantitative study as it would provide a lot of data in the most effective and efficient way. The data was collected through a self-administered online survey. The survey was shared on social media and among friends and family - both men and women over 18 years. Friends and family were encouraged to share the survey among their acquaintances, which assured a wider reach of respondents. The survey was available in the period of 20th of April - 23th of May.

The analysis part consists of results and findings from the quantitative survey. The results in this study indicate that consumers' attitude towards luxury brands using digital marketing to generate sales or building brand reputation is neither extremely positive nor extremely negative. In addition, unlike previous research, there is no further evidence that the luxury brand image will be weakened once they sell online or use social media. However, there is already existing evidence of luxury brands being in an online environment. Moreover, one can draw conclusions from both theory and research that brand image and brand identity are the most important concepts within the field of luxury marketing.

There are several limitations that are identified in this study related to time and resources. Among other things, in order to be able to generalize the results to other groups and the population, the number of respondents should be larger. In addition, it would have been relevant to carry out qualitative research. In this way, the study could have gained a broader perspective. Though, the study illustrates a general understanding of customers' attitudes of the digitalization of luxury brands. This can be used in further research. However, the results indicate that further research should be conducted on whether digitization of luxury brands varies according to different product categories and brands. Nevertheless, a clear and general overview of luxury and digitization was provided - and extensive research can make use of the underlying study.

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1.0 INTRODUCTION

1.1 Background

As Turunen (2017) claims in her book *Interpretations of Luxury* “The content of the term “luxury” is acquiring more shades and meanings, and is no longer the same or as straightforward as it was at the beginning of the twentieth century.” In other words, we can interpret this expression to the extent that luxury is not as easy to define - as it may have been in the past.

«Luxury is in Vogue. The term «luxury» is increasingly evident and visible in our day-to-day lives – so visible that it appears to be losing its content and value. It seems to be available to everyone, in one form or another. Does luxury still equal conspicuousness and status in society? » (Turunen, 2017, s. V). A basic definition of luxury that is shared among the majority of researchers is that luxury is everything that is desirable and more than necessary (Gutsatz & Heine, 2018). However, the term luxury has changed significantly through the ages (Kapferer & Bastien, 2009). Kapferer & Bastien (2009) argue that it is a result of the following three aspects: globalization, democratization and increased income. It is therefore highly difficult to establish a concrete definition of the term luxury due to its different shades and meanings. “Everyone understands it, but nobody can agree on exactly what it means, on its contours, its frontiers or its members” (Kapferer & Bastien, 2009, p. 2).

The world is constantly developing in a more digital direction. As a result, the strategic choices brands make today, includes less traditional marketing (Kotler et al., 2016). The increased use of the internet and social media has resulted in the retail industry facing high competition from the digital world. Bradely et al (2021) states that the competition has increased considerably during the pandemic. Schivinski (2019) argues that social media is an effective way to create activity with consumers. Creating consumer engagement on social media is receiving more and more attention, because it has great potential to influence purchase behavior (Schivinski, 2019).

The core of luxury can be considered as a delicate balance between the inaccessible and the desirable - which to a large extent contradicts the seemingly increased accessibility among the population through digital advertising (Turunen, 2017). Turunen (2017) argues that digital advertising can create confusion around the attributes of luxury brands, such as uniqueness and high price. Kapferer (2015) also states that the internet was not created for luxury brands, but for large-scale brands. In addition Okonkwo (2010) states that luxury brands face different challenges when it comes to how they are valued and viewed in social media. Luxury brands are concerned that the global reach that comes with the use of social media can weaken one of the most important components, namely exclusivity (Dion & Arnould, 2010; Hennigs et al., 2012). In addition, Keller (2017) argues that the democratic part of social media does not correspond to the exclusivity of luxury brands.

Despite the fact that the world is becoming more digital and brands are making greater use of social media to build brands and generate sales - experts in the field of luxury brands are sceptical of the relationship between luxury and digitalization. It may seem as if the two concepts are contradicting each other - luxury is rare and exclusive while the internet is a mass medium being available to everyone. *Does digital integration add value to luxury brands - or will it break down the well-known attributes of the many years of building luxury brands?*

1.2 Research Question

“Luxury today no longer sells because of rarity but on a feeling of exclusivity, which depends primarily upon selectivity of its distribution, both physical and digital.” (Kapferer, 2017, p.3)

This study lays the foundations for investigating how digitalization affects luxury consumers' behavior as well as luxury brand identity in the digital era. Luxury brands being online, does it lead to increased sales and customer loyalty, or could it potentially lead to cannibalization and destroy brand reputation? Due to the fact that the very core values of luxury brands consist of exclusivity and accessibility.

As mentioned, there are several experts in the field of luxury brands who are skeptical of the relationship between luxury and digitalization. A lot of luxury brands may have the fear of becoming “just like everyone else” or compared to mainstream brands, as one of the key components is exclusivity - a shared fear among several experts.

However, social media takes a grand part of the digital world. Customers throughout the world are highly active and involved in different social media platforms (Micu et al., 2019). The social media marketplace is progressing quickly, thus the trends are clear. Social media is potentially a great platform for creating a reputation for luxury brands, which is a key indicator. The platform allows brands to differentiate and create an even deeper loyalty with the audience (Xie et al., 2020).

There are several established luxury brands that are present in social media today. Luxury brands integrate social media as part of their marketing strategies, and by doing so they are able to share storytelling and content. Research indicates that it has great value for luxury brands to use social media for storytelling, as it is a key component for their existence (Kapferer & Bastien, 2012). Luxury brands does not only consist of superior service, good quality and high value but are also driven by the heritage and the story of the brand (Joy et al., 2014)

Existing theory points to a negative shared attitude among several experts when it comes to luxury brands and digital marketing. Some believe it only damages the brand, while others believe it can be used beneficially by using it for storytelling. This raises the question, what is right and what is wrong? Due to the fact that social media has come to stay and that consumers have changed their purchasing patterns, too little research has been conducted on whether luxury brands can use digital marketing to generate sales. Can social media act as a beneficial tool for luxury brands, or will it harm the brand by potentially losing several of its important attributes? Is there an existing delicate balance, where social media can be used for both storytelling and generating sales?

With this in mind, the underlying thesis will address a relatively unexplored field of research and aim to give a deeper understanding and insight into how the luxury industry should adapt to social media and digital strategies. In addition, how consumers perceive the use of digital marketing and their attitudes towards it.

How or whether luxury brands can use digital marketing in relation to their identity and brand values without it going at the expense of their brand image among customers. Based on this, the following research question has been conducted: *Understanding the role of digital marketing for luxury brands. Is it a tool for generating sales or building brand reputation?*

1.3 Structure

Firstly, the literature review will be introduced. This includes current knowledge, findings and conclusions of the luxury market, the development of digital marketing and social media. The literature review in our thesis will consist of subsections that explore the different theories related to the topic to construct valuable knowledge and build the foundation of our topic.

Second, relevant theory will be clarified and explained. In this part the main underlying concepts will be presented. The concept of luxury, digital marketing, social media as well as the term influencers will be defined. In addition, concepts like Brand Image, Brand Identity, Brand Equity and Brand Resonance will be presented. Moreover, several different luxury brand strategies will be presented.

Furthermore, the method used in the study will be explained and justified. This includes, among other things, the survey questions, samples, research design and research strategy. In addition, the research process will be presented. Lastly, we will take a closer look at validity and reliability.

In addition, a critical view will be thrown over our own work. A reflection on weaknesses, limitations and errors, as well as suggestions for further research.

Finally, an analysis of the results and findings that have emerged during our study will be conducted. Briefly, we will summarize relevant key findings. Moreover, the results will be discussed and compared to the theoretical background. The research question and hypothesis will be answered as part of the conclusion.

2.0 LITERATURE REVIEW

In this chapter, we will first consider the development of the luxury market. Then, current knowledge and findings about the luxury market, the development of digital marketing and social media will be elaborated.

2.1 The Luxury Market

In the last 20 years luxury consumption has drawn a lot of attention in the marketing literature. As a result of the cultural rise of luxury as a category in today's society, the economic sector has increased since the 1990s. The luxury market is growing steadily in line with the dramatic growth in the number of wealthy individuals in the world (Statista, 2021). Bain and Company (2021), a management consulting firm for the luxury industry, states in their report that the global luxury market recovered to 1.14 trillion euros in 2021. This is a percentage increase from 13% to 15% from 2020, but still 9% to 11% below the revenue in 2019 (D'Árpizio et al., 2019). According to Statista (2021), the global luxury market is expected to increase from US\$309.6 billion in 2021 to US\$382.6 billion in 2025, at a CAGR of 5.4%.

Companies use various marketing strategies to increase their retail experience. Although luxury online sales increase significantly and gain a large market share worldwide, several companies see the importance of having physical stores (Statista, 2021). We see an increasing trend among digital-born luxury companies. They want to increase traffic to their E-commerce stores by opening physical stores. In this way, luxury companies will be able to provide the touch-and-feel that is lacking by shopping online, in addition to enhancing brand legitimacy. As a result of the digital development and digital sales channels, a Luxury 4.0 model has emerged. The model is characterized and built on the basis of digitalization and the customer's luxury shopping journey (Statista, 2021).

2.2 The E-commerce Market

The use of technology and luxury brands digital strategy reflects the shift from Web 1.0 to Web 3.0. Batat (2019) claims the evolution from Web 1.0 to Web 3.0 encourages luxury markets to use digital strategies to design the ultimate luxury

experiences. However, the use of the internet has been perceived as a risky communication tool for luxury brands, given that consumers have a lot of control over it (Okonkwo, 2010). Kapferer & Bastien (2012) claim that luxury brands can face a great risk by using the internet as a distribution channel due to counterfeits being spread. Based on the fact that the internet is a large distribution channel. In addition, Larbanet & Ligier (2010) state that luxury brands are afraid of the potential for cannibalization of e-commerce compared to their physical stores.

2.3 Brand Image

Brand Image has several definitions and is a key concept in marketing. Keller (1993) defines brand image as perceptions about a brand as reflected by the brand associations held in consumer memory. Brand associations are the other informational nodes linked to the brand node in memory and contain the meaning of the brand for consumers. Brand associations contain the meaning of the brand for consumers. Keller (1993) classified three types of brand associations: attributes, benefits and attitudes. According to Keller (1993), one can build up a positive brand image if one manages to connect strong and unique associations with customers' memories of the brand. This can, for example, be built up through marketing campaigns.

While Kotler (2001) defines brand image as a combination of impression, ideas and beliefs a person holds regarding an object. In other words, he defines brand image as the thoughts the consumers have made up about the brand. There are several other definitions that have been made up about brand image. Some of them being Herzog's (1963) definition that brand image is customers' general perception and impression of a brand. While Newman (1985) defines brand image as consumers' perception of a product's total attributes. Ditcher (1985) has also made a definition of the concept brand image. The marketing expert defined brand image as the consumers general impression of the product and service.

Based on the theory we have presented, brand image is an important factor. In our research we want to explore how digital integration affects how customers experience the brand image of luxury brands. It is highly interesting to explore what kind of strategies luxury brands should consider for consumers to achieve the right experiences, ideas and thoughts associated with luxury. Will the customers' brand image of luxury brands vary in relation to whether they are

exposed to sales promotion or content that is intended to increase reputation?

Based on the literature review presented, the following hypothesis will be tested.

H1: The brand image customers have for luxury brands vary in relation to whether they are exposed to sales promotion or content that is intended to increase reputation.

H1a: Sales promotion has a negative influence on the attribute uniqueness related to luxury brands.

H1b: Content that is intended to increase reputation has a positive influence on customers' attitude towards luxury brands.

2.4 Digitalization of Luxury Brands

Authors and researchers have in a long time discussed how to define luxury brands. Academics therefore define luxury in different ways and to this day there is no agreement on how to define a luxury brand. Keller (2009) argues that luxury brands have ten defining characteristics. Those being maintaining a premium image, creation of intangible brand associations, quality, symbols, secondary associations from linked personalities, controlled distribution, premium pricing strategy, carefully managed brand architecture, broadly defined competition, and legal protection of trademarks.

While Berthon et al (2009) argue that luxury is more than a characteristic or set of attributes. Instead of just defining a luxury brand based on its attributes, the authors emphasize what the luxury brand does: the collective, the subjective and the objective. Another definition is the one conducted by Heine (2012) that states that luxury brands are associated with consumer perception of quality, high level of price, rarity, aesthetics, extraordinariness, and a high degree of non-functional associations.

Luxury brands are not like other brands. "Luxury is an industry like no other: it is the only one for which growth creates a problem" (Kapferer, 2015, p.1). The term luxury has become fragmented and is to a greater extent more easily accessible to larger parts of society. Ordinary people can today enter the luxurious world through websites and social media channels. However, the strategy of luxury brands is not to get as many customers as possible - but to attract the right

customers who are associated with the brand's own status (Kapferer, 2015).

Turunen (2017) argues that ads in social media challenge luxury brands, on the basis that it results in availability. Turunen (2017) claims that this can contribute to creating confusion when it comes to attributes such as quality and high price.

Following we want to investigate whether digitalization of luxury brands can lead to the concept of luxury taking on a new meaning. Will the components that build up under a luxury brand such as accessibility be damaged as a result? The theory presented discusses that social media can create challenges for luxury brands, on the basis that it becomes too accessible to customers. It is interesting to look at whether digital media can contribute to luxury brands having a new positive development, in that they can increase brand value by using content marketing and convey valuable stories about the brand. Thus, the following hypothesis will be tested.

H2: Digitalization has a positive impact on luxury brands when they share content that is not sales promotion.

2.5 Social Media

Social media is user-generated content. Social media can be defined in several ways. Kaplan & Haenlein (2010) argue that social media can be defined as a group of Internet-based applications based on the ideological and technological basis of Web 2.0. Social media allows the exchange of user-generated content. Researchers have over a long period of time discussed whether social media is more or less effective than traditional marketing. According to Henning-Thurau et al (2010), brand stories that are shared on social media are much more effective than the stories that are shared through traditional marketing. The background for the argument is that the stories that are shared on social media are more dynamic, visible and available in real time.

Social media is an effective way to create activity with customers. Schivinski (2019) claims that creating consumer engagement on social media is receiving more and more attention, based on the fact that it has great potential to influence behavior. Pansari & Kumar (2017) argue that it is a critical element in online strategy to influence interactions with brand-related content in social media with current and potential customers. Okonkwo (2010) argues that luxury brands face

different challenges when it comes to how they are valued and viewed on social media. Luxury brands are nowadays concerned that the global reach that accompanies social media can weaken one of the most important components, namely exclusivity (Dion & Arnould, 2011; Hennigs et al., 2012). Keller (2017) also argues that the democratic part of social media does not correspond to the exclusivity of luxury brands.

The theory points out that luxury brands face various challenges related to social media. As mentioned, it is argued that social media does not correspond to the exclusivity of luxury brands. It is therefore interesting to research how customers experience the important attributes of luxury brands when they use digital marketing. Based on the literature review presented, the following hypothesis will be tested.

H3: Customers experience that the important components of luxury brands disappear with the use of social media.

H3a: Customers experience that uniqueness of luxury brands disappear with use of social media.

H3b: Customers experience that exclusivity disappears with use of social media.

H3c: Customers experience that rarity disappears with use of social media.

2.6 Influencers

Influencers have become a well-known concept in marketing. An influencer can be defined as an individual who has built a digital audience through sharing editorialized content about their life (McCorquodale, 2021). Although influencers have received a lot of negative media coverage, a large proportion of those are entrepreneurs who have created a digital landscape worth billions. The greatest strength of an influencer is that they are good at adapting to digital developments and identifying opportunities that will result in their brands growing even more. In addition to understanding what influences customers to perform behaviors (McCorquodale, 2021).

Influencers have a special ability to understand customers. This type of marketing can contribute to many positive results for your brand. Russell & Itzler (2020)

argue that those influencers know their customer group well and know what message to use to reach them. Influencer marketing is being used more and more by luxury brands (Qian et al., 2021). However, it has received some concerns regarding the choice of appropriate influence for different brands. A study conducted by Qian & Park (2021) in the luxury market in China, shows that if the consumer perceives a bad match between influence and luxury brand - it results in dissatisfaction with the luxury brand's endorsement. Which will affect the purchasing intention of the consumers. While, if customers perceive it as a good match, it will help increase the brand (Qian et al., 2021).

Theory shows that influencers are frequently used in marketing. Researchers emphasize that they have a special ability to understand their target group and thereby create content with a message that reaches customers. Influencers are therefore a useful tool in a digital marketing strategy. On the other hand, researchers argue the use of influencers could have a negative effect if the values of the brand and the influencer do not correspond. Based on the theory presented, we want to test the following hypothesis. The reason why we want to test whether the use of influencers for sales promotion has a negative influence is based on the previously mentioned theory that luxury brands can face challenges if they become too accessible. Based on the literature review presented, the following hypothesis will be tested.

H4: The use of influencers in digital marketing to increase reputation is considered positive by consumers if the match is perceived as good.

H5: The use of influencers in digital marketing to promote sales is considered negative by consumers.

2.7 The Digital Customer Journey

The digital customer journey is the path a customer goes through from the awareness stage to the purchase stage. In other words, every single interaction that takes place between the brand and the customer online. It could potentially extend to loyalty. The journey starts with awareness (Märting et al., 2021). Further they evaluate different sources to help answer their problem, by looking at for example customer reviews and watching videos of the product. Lastly, the selection of the decision phase takes place. In this final step, the customer has chosen a specific

brand and eliminated other options. In this phase, the brand can show off their competitive advantages (Märting et al., 2021).

It is highly important for brands to analyze the digital customer journey, as it can help better understand your customer and habits, as well as cover different challenges. Halwani (2020) states that a lot of research provides insight into the digital customer journey and online strategies of luxury brands. However, little research has focused on how consumers actually perceive the luxury online experience (Halwani, 2020). Research implies that the customer has five motivations when it comes to online purchase of luxury brands: personalized communication, accessibility, convenience and independent browsing. It also suggests three reservations: lack of uninspiring online retail environments, spontaneity and unfamiliar brands (Halwani, 2020). The research conducted by Halwani (2020) provides data that supports theory of attitudes and both hedonic and utilitarian dimensions when it comes to the luxury experience online. Brand managers and marketers need to adapt their presence to the customers' needs and motivation.

Considering that luxury brands want to be perceived as unique, special and inaccessible: How can they make this experience special and unique online? Will the customer perceive the purchase process as valuable as offline? How does the customer perceive the digital journey? Does it add value, or can it ruin the touch of luxury? During the pandemic, customers have adopted new trends. It is a fact that many customers have started shopping online, instead of in physical stores (Bradley et al., 2021). Based on the literature review presented, the following hypothesis will be tested.

H6: Luxury brands lose brand value when the products become too available to everyone online.

H6a: Customers experience that if they purchase luxury brands online, the luxury brand loses important attributes.

H6b: Consumers of luxury brands prefer to buy luxury brands in physical stores.

3.0 THEORY

In this chapter, the main underlying theory connected to our research question will be described and explained.

3.1 The Concept of Luxury

«Rather than creating clarity, confusion about luxury is clearer than anything else in the academic field. Despite numerous efforts, there is still no commonly accepted definition of luxury owing to the multidimensional nature of the phenomenon» (Miller and Mills, 2012, p. 95).

The luxury sector differs from other non-luxury brands and industries. Thus, traditional marketing could not be as easily applied to luxury. According to Pellicelli & Franze (2020) the symbolic nature of luxury is that it's non-comparable and it can't be positioned – because it's all about identity. Pellicelli & Franze (2020) states that “A true luxury brand shows some core characteristics: It's innovative and creative, it provides unique and appealing products and consistent delivery of premium quality, it's featured by exclusivity in goods production, tightly controlled distribution, a heritage of craftsmanship, a distinct brand identity, global reputation, emotional appeal, high price, high visibility, indelible impression, recognizable style, fast and high-fashion design turnover, strong country-of-origin link”. In other words, it's quite obvious that luxury has unique economic, cultural and product qualities.

It is highly important to understand the concept of luxury to understand why there is a dilemma related to whether luxury brands should be online or not. Therefore, a definition of the luxury concept will be presented. Kapferer and Bastien (2009, p. 38) states that "Luxury for some, may not be luxury to others". Existing definitions appear far from credible, and are often limited to various brands, goods or practices. The concept has over time evolved through different cultures and societies. A basic definition that is shared among the majority in several studies is that luxury is everything that is desirable and more than necessary (Gutsatz & Heine, 2018).

According to Wiedmann et al. (2007) luxury can be considered as the purchase of prestige or status products to decorate one's ego. Turunen (2017), on the other hand, believes that luxury is a comprehensive term that describes a product,

service or lifestyle. Where key components are strong human involvement, a limited offer, in addition to others' recognition of value. Luxury Brands often offer a combination of product quality and a unique "touch" of the brand's personality and design (Nueno & Quelch, 1998).

The definition of the term luxury also varies amongst the most important players in the luxury market. Coco Chanel states that “luxury is not the opposite of poverty but that of vulgarity”, while Karl Lagerfeld defines luxury subjectively as “my greatest luxury is not having to justify myself to anyone” (Batat, 2019). The concept of luxury has changed over time - which results in it being difficult to establish a concrete definition of luxury. The 21st century has led to further globalization. This has allowed “normal” people to establish a relationship with luxury. Luxury is to a greater extent more accessible among larger parts of society, which in turn is a consequence of the fact that society has become more democratized. This is mainly due to the increased globalization, democratization and increased income among the population (Kapferer & Bastien, 2009).

Increased globalization and democratization have made new products, brands and cultures easily accessible to consumers. Which have resulted in a source of new desires, which in turn leads to a large growth in the customer base for luxury brands. Although this leads to an extensive range of selections, there is also an underlying potential risk of luxury vulgarization. According to Kapferer and Bastien (2009), this is a large trap that should be avoided in the growth of democratizing luxury.

The very core of luxury - a delicate balance between the desirable and the inaccessible - mainly contradicts the seemingly increased accessibility among the population (Turunen, 2017). In today's digital world, advertising tends to illuminate accessibility, which is contrary to several of the core facets of luxury brands, such as rarity, unavailability, price and quality (Turunen, 2017). In other words, the term luxury is often used in a contradictory way and in several different contexts and may therefore be difficult to define. Therefore, in order to provide a consistent definition of the term luxury, it is necessary to understand the different shades and perspectives related to it.

According to Corbellini and Saviolo (2009), the origin of the word *luxury* is often associated with a desire for self-gratification, excess and exuberance. As of today

luxury has a much broader multi-dimensional concept subject to situational, regional, temporal, economic and cultural factors - going past its original role of status signaling. In emerging markets, "exposing and owning" is often the main driver, while in more sophisticated markets, "enjoying and presence" is often the main motivation for luxury consumption (Corbellini and Saviolo, 2009).

3.2 The Luxury Experience

Experience is essential in luxury brand management. Luxury brands desire to separate from mass brands, thus requiring a different approach to brand management (Grigorian & Petersen, 2014). "Experiences occur when customers interact with one or more elements of the brand context and, as a result, extract sensations, emotions, or cognitions that will connect them to the brand in a personal, memorable way" (Grigorian & Petersen, 2014, p.5).

The concept of luxury is beyond just the brand and product itself – it implies the luxury experience. The consumers of luxury in today's society are of high demand and expectations. Consumers have high expectations when it comes to luxury brands and the luxury experience - they want it to be personalized, immediate and perhaps most importantly emotional (Batat, 2019). With this in mind, luxury brands need to fully understand their customers, their behavior and their development. In this way, luxury brands will be able to tailor both an online and offline experience that adapts to the customer's requirements. They can do this through meaningful messages through different touchpoints and in different marketplaces. In other words, besides efficient characteristics, luxury brands are also attempting to offer an experience by relating the brand with a certain lifestyle constructed by consumers (Atwall & Williams, 2009).

According to Batat (2019), emotions are a highly influential resource. Hence, luxury brands should create emotional connections during the shopping process and luxury experience as it has a strong impact on consumer satisfaction and the decision-making process. As the customers become more emotionally involved, it would result in increased brand sales and brand loyalty by refining luxury position and brand image. It is essential for luxury brands to comprehend consumer experiences and the changes in consumer behavior. As digitalization is integrated as a part of the world and how customers behave, brands need to consider the key

changes in consumer behavior due to the digital experience (Batat, 2019). “Luxury brands should advocate beliefs to their customers. Unlike mass brands, luxury brands should not strive to please everyone, but should attract those customers whose beliefs are similar to theirs” (Grigorian & Petersen, 2014, p.4). Luxury brands can design a luxury experience through seven principles illustrated below.

	Traditional Branding	Luxury Branding
1. Beyond	Brand values	Brand beliefs
2. Beyond	A logo	A set of icons
3. Beyond	A product	A unique ritual
4. Beyond	A point of sale	A temple
5. Beyond	Consumer segments	Access to a parish
6. Beyond	Value communication	Myth telling
7. Beyond	Categories	A way of life

Figure 1: The Seven Principles of Luxury Experience (Grigorian & Petersen, 2014)

3.3 The Brand Luxury Index

Vigneron & Johnson (2004) have developed the Brand Luxury Index model. The model is designed to be a tool that will help to estimate the amount of luxury consumers experience with a brand. The model addresses the following five components: conspicuousness, uniqueness, quality, extended-self, and hedonism. Vigneron & Johnson (2004) argue that these five factors in particular are necessary for a product to emerge luxurious. In order for a luxury brand to stand out from the many other brands that exist, these factors are absolutely fundamental. Therefore, all the five factors identified in the Brand Luxury Index model must be integrated into the product in order for it to be perceived as luxurious. The Brand Luxury Index model is divided into two main categories. Non-personal updates contain the following factors: appearance, uniqueness and quality. While personal perceptions consist of the following factors: hedonism and self-identification.

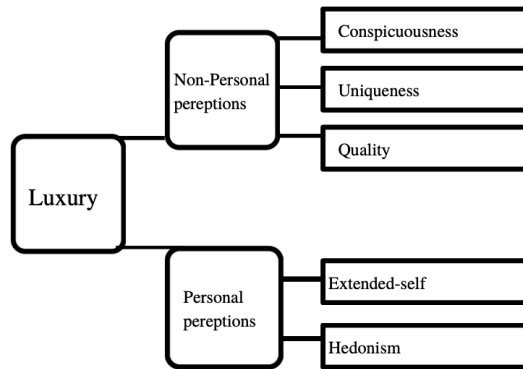


Figure 2: Brand Luxury Index (Vigneron & Johnson, 2004)

Conspicuousness is about identifying and measuring the extent to which the brand will indicate the individual's social status. A lot of consumers emphasize that the luxury brand they carry should add high social status. Thus, they are therefore highly interested in the social status that is associated with the brand. *Uniqueness* is meant to measure the extent to which the brand is rare and exclusive. Luxury brands are often associated with something that is not available to everyone. Therefore, if it is difficult to purchase the product, it will increase the consumer's preferences for the brand.

Quality is about the extent to which the brand has extraordinary quality. Luxury brands are associated with extremely high quality. Vigneron & Johnson (2004) argue that if a product of a luxury brand has the same quality as other ordinary products, it can not be considered as a luxury brand. *Hedonism* is a factor that illustrates that consumers are looking for personal rewards and maximum enjoyment. Consumers who buy luxury brands seek to satisfy their own personal feelings. *Extended-self* is intended to measure whether the brand contributes to positively influencing consumers' identities. Vigneron & Johnson (2004) developed this factor to identify that the brand identity can be transferred to the brand bearer.

3.4 Brand Identity Prism

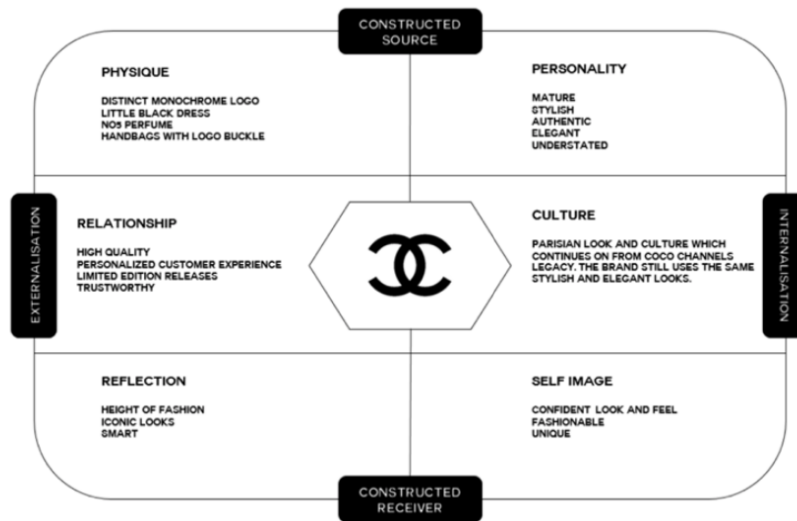


Figure 3: Brand Identity Prism (Kapferer, 1986)

It can be said that the very core of the luxury brand is its identity. Kapferer & Bastien (2012) states that we should not talk about positioning when it comes to luxury brands, as it's non-comparable. Luxury brands can be compared to artists or painters, they are not seeking to compare with other mass brands. They have a personal touch that is non-comparable. Thus, due to the fact that luxury brands are strong identities that can offer more than just a product - they seduce customers by the dream they create. Luxury brands create a world of its own, and customers are willing to pay dearly to become a part of (Kapferer & Bastien, 2012).

According to Kapferer & Bastien (2009) one will find the concept of positioning of the "unique selling proposition" at the heart of every brand strategy in consumer marketing. Thus, in luxury marketing strategies, the concept of "brand identity" is exceedingly more important than in consumer marketing (Kapferer & Bastien, 2009). According to Kapferer & Bastien (2012) brand image is the conceptualization acknowledged by the receiver, whereas brand identity is the conceptualization conveyed by the sender.

The Brand Identity Prism was developed by Jean-Noel Kapferer. The model is a tool that helps to reflect the company's core values and blossom brand identities. The basis of the model is that the degree of success is driven by a company-wide utilization of the following elements: physical characteristics, personality, relationship between brand and consumer, culture, reflection and self-image

(Kapferer, 1986). The luxurious brand Chanel will be used to exemplify the Brand Identity prism in practice.

Physical: The physical dimension can be defined as the very basis of the brand and represents the physical characteristics of the brand. The reason for that, is that this dimension emerges as the very core of the brand. This lies in the fact that the brand wants to bring out a certain visualization in the minds of consumers. The brand must develop a characteristic design on their products and services that reflects the brand's identity, in addition to what emotions they want to arouse in consumers (Kapferer, 1986). Physical characteristics of the luxury brand Chanel are elements such as the Chanel No. 5 perfume, the "little black" and the clear logo (Chanel Winter Sports, 2020).

Culture: When it comes to culture, it's all about behavior and principles. The brand is often linked to the country of origin (Kapferer, 1986). Chanel for example, is a luxury brand inspired by the French Coco Chanel and the city Paris, which reflects their elegant look (Chanel Winter Sports, 2020).

Personality: The brand's personality reflects the brand's character. In other words, how the brand wants to be perceived by the world - how the brand communicates. Luxury brands often use specific design tools, and should use them at all touch points of contact in their communication. Examples of this are specific people or colors (Kapferer, 1986). In this case, for example, Chanel uses their personality to radiate "elegance", "authenticity" and "sophistication" (Chanel Winter Sports, 2020).

The Relation between the Brand and the Consumer : The more ties the customer has to the brand, the stronger the relationship will be. At the top of the Brand Equity Model developed by Keller we find resonance. This is the step where loyalty and the relationship between brand and consumer come into play. In order to achieve a good relationship, it is clear that the brand must have done the previous steps correctly. This could lead to positive effects for the brand and market performance. The relationship that arises between the brand and consumer is greatly affected by the associations the consumer has with the brand.

Another important factor to take into consideration is service and perceived value. In other words, perceived added value (Samuelsen et al. 2018). What does the

customer get beyond the service or product itself? How does Chanel create good and sustainable relationships with their customers? They offer personal customer service, high quality, as well as limited edition products and credibility (Chanel Winter Sports, 2020).

Self Image : The customer's self-image - how do the customers want to appear? What is their ideal identity? By doing a thorough analysis of customer needs, brands can reflect just that (Kapferer, 1986). Chanel is a luxury brand that wants to appear elegant and classic. Following, Chanel addresses specific target groups who want to identify with precisely these values. Chanel wants their customer base to feel confident and fashionable. Consumers who buy Chanel products want to identify themselves with the brand identity (Chanel Winter Sports, 2020).

Reflection: Reflection is how brands like to address a specific subgroup, which they refer to in their marketing communication (Keller, 1986). Chanel, for example, addresses the "modern and elegant woman". Chanel wants to appeal to this type of women or target group, due to the fact that they want their products to be associated with strong, elegant, smart and sophisticated women. In this way, users reflect the brand identity and vice versa (Chanel Winter Sports, 2020).

3.5 Brand Image

Brand Image is an important concept that needs to be elaborated. Considering that the thesis will research the consumer's image towards luxury brands. Keller (1993) defines Brand Image as perceptions about a brand as reflected by the brand associations held in consumer memory. In other words, Brand Image is the unique associations customers have about the brand in their mind. Brand Image is closely linked to the actual products that sell. Citra & Santoso (2016) argue that if the product the brand sells is of good quality, this will improve the Brand Image consumers have of the brand. Putra & Ekawati (2017) claim that if the brand manages to create a strong Brand Image among consumers, this will result in a major competitive advantage. If the brand manages to create a good Brand Image among consumers, this will further increase the consumer's attractiveness to wear the product (Aristyowati et al., 2015).

Keller (2009) argues that Brand Image is more about how consumers think abstractly about a brand, instead of what they think the brand actually does. Brand

Image is formed either directly or indirectly. It can be formed directly by the consumer's own experiences with the brand or indirectly by being exposed to brand advertising. Keller (2009) points out that brand associations in the following four categories are important sources for Brand Image for luxury brands: *user profiles, purchase and usage situations, personality and values, history, heritage and experiences*.

User profiles are about the type of people who use the luxury brand. This will create clear associations and images in the customers mind about the type of person who uses the products. Furthermore, purchase and usage situations are about where the product was purchased and when it is used by consumers.

Personality and values is about how the brand can be perceived by consumers as a human being. The brand can be characterized as “old-fashioned”, “sensual” or for example “prosperous”. Finally, we have history, heritage and experiences that reflect the brands past and important events in their history. Luxury brands have to a large extent strong associations in this category (Keller, 2009).

3.6 Brand Equity

Brand Equity is an area of major interest for market researchers. Today, there are several different definitions of Brand Equity. It is therefore relevant to take a closer look at the various definitions that have been conducted. Farquhar (1989) has defined Brand Equity as the added value endowed by the brand to the product. While Aaker (1991) defines Brand Equity as a set of assets associated with a symbol or brand name that either subtracts or adds to the value provided by a product to a firm. Further, Keller (1993) defined Brand Equity as the varied response consumers have to brand knowledge through various marketing activities. Another definition that can be linked more closely to luxury brands is that Brand Equity consists of characteristics that make it possible for a brand to appear unique in the market (Clow & Baack, 2005). In this way, the brand will be able to set the price higher than other brands and thus retain large market shares.

Kapferer & Bastien (2012) claims that brands often measure their Brand Equity. “In order to do so, they ask at least four questions relating to awareness of the brand, level of consideration, behavior and finally the brand’s ability to create fanatics and active proselytes” (Kapferer & Bastien, 2012, p 153). However, Kapferer & Bastien (2012) argues that Brand Equity is different with luxury

brands. When it comes to Brand Equity and luxury brands, it's not about consideration - but about dreams. It is argued that luxury brands must identify the consumer's dreams - literally. It is highly crucial to be able to identify the various factors of dreams in the luxury world.

The dream of luxury is based on the great distance between those who can buy the products and those who only know. Therefore, without brand awareness, there is no dream. Therefore, Kapferer & Bastien (2012) argues that it is very important that the brand creates awareness and builds up a unique symbolic power. In this way, the brand will build the big luxurious dream and the desire to carry it. If brand awareness is high, it is precisely the distance between those who recognize the product and those who actually wear it that creates the dream.

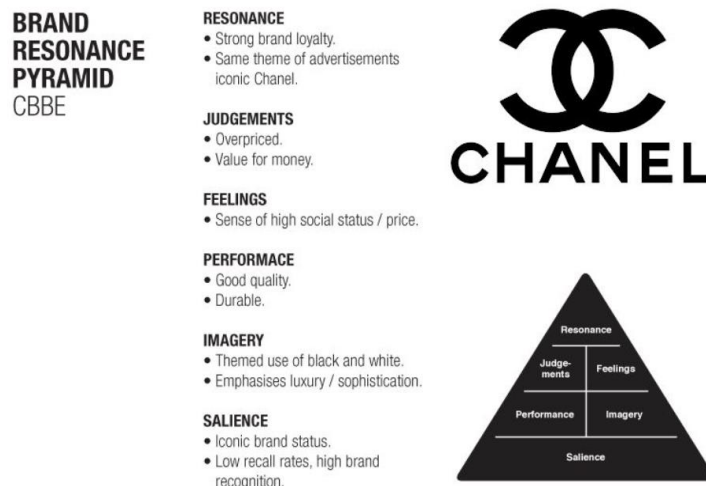


Figure 4. Brand Resonance Model (Keller, 1993)

According to Keller (1993) “brand resonance refers to the nature of the relationship that customers have with the brand and the extent to which they feel that they are “in synch” with the brands” (Raut & Brito, 2014, p.9). Thus, brand resonance plays an important role in the development of sustainable brand equity between the brand and the customers, in addition to customer relationship management. With a high brand resonance, the customer has a close relationship with the brand, which results in a high degree of loyalty. The customer wishes to interact with the brand and share their opinions.

3.7 Communicating Luxury

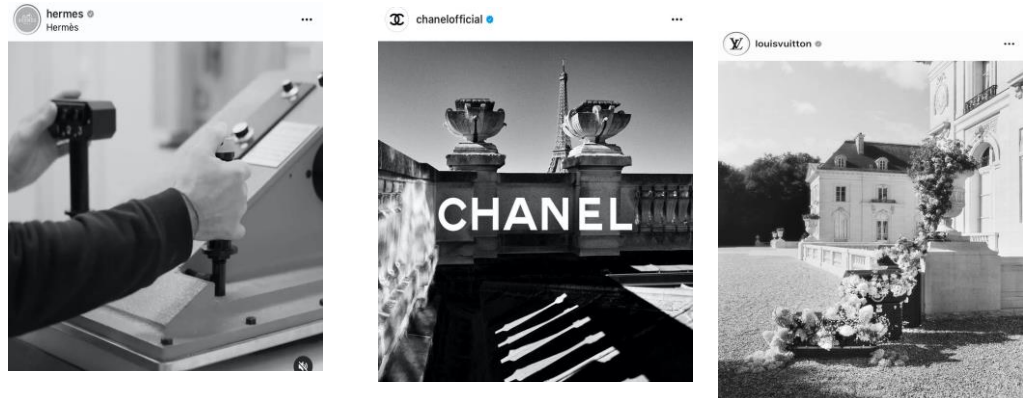
According to Herskovitz & Crystal (2010), *storytelling* can be defined as stories that communicate the brand. Kapferer & Bastien (2012) argue that luxury brands would not have existed if they had not used storytelling. The reason for this is that luxury brands do not only exist on the basis of the product's high quality, uniqueness and extraordinary service. They have created something special in the consumer's mind by using storytelling (Joy et al., 2014). Storytelling has been used by luxury brands throughout the years and has been an extremely important tool for communicating their history, values and symbols.

Greene et al. (2015) argue that luxury brands achieve great success by conveying history and values through storytelling. Hughes et al. (2016) tells in their research that luxury brands use storytelling to educate consumers about the brand. Furthermore, Kapferer & Bastien (2012) claims that consumer's perceptions of luxury brands are not created through advertising, but through storytelling. In this way, it is argued by the authors that they create a word-of-mouth dynamic where consumers discuss the information they have received through storytelling.

Storytelling is today a highly important communication strategy for the luxury brands that wish to establish online relationships with their target audience (Herskovitz & Crystal, 2010). It is argued that social media is a good and effective platform for teaching the target audience about the brand (Hughes et al. 2016). If luxury brands use social media to share storytelling, this will increase brand awareness. Furthermore, the luxury brands will also build a closer relationship with their target audience. In other words, this is a great way for luxury brands to be present on social media. Hemantha (2020) argues that storytelling through digital media has become so common that almost all luxury brands have adopted it.

Hemantha (2020) tells, for example, that Louis Vuitton has adopted digital storytelling on various platforms to create contact with its target audience. Among other things, they make history-based clips that they share with their followers. Hermes is also a luxury brand that has adopted digital storytelling. They convey their history, iconic status and craftsmanship through digital storytelling that is mysterious, allure and exclusive (Hemantha, 2020). However, it is crucial that the luxury brands have clear guidelines on how they use storytelling so that it does

not come at the expense of their exclusive brand image. Hemantha (2020) nevertheless argues that luxury brands must be able to create appealing digital storytelling in order to be able to maintain brand equity, brand image and brand values for luxury customers.



Instagram, Hermes (2022) - Instagram, Chanel (2022) - Instagram, Louis Vuitton (2022)

3.8 Social Media Marketing

“Given the visible impact of Web 2.0 in marketplaces around the globe – or more correctly, the marketplace of the globe – social technology is now considered a “given” in business. So many have assumed that social media and a presence on the Social Web are must haves” (Evans et al., 2021, p.3).

People throughout the world are exceedingly attached with social media and the 2.0 web technology. Following, technological development has created new growth opportunities for companies in every business sector. As stated by Evans et al. (2021), social technology is now a “given” in business. Thus, if companies don’t keep up with technological development, they can miss out on great opportunities, and it will result in a larger gap between future oriented businesses. Businesses see technology and social media as effective mechanisms to create deeper and loyal connections by interacting more with their customers (Alalwan et al., 2017). Several businesses are investing in their social media presence to expand customer engagement, online sales and to protect their corporate or brand reputation (Keegan et al., 2017).

Social Media applications such as Instagram and Facebook have been integrated as part of people's daily lives. According to Alalwan et al. (2017) social media

applications can be considered as one of the most powerful and efficient implications that take a large part of diverse aspects of people's everyday lives. Social media platforms are digital channels that enable consumers and companies to share information, interests, ideas and other forms of expression. This streamlines the communication and interaction between both company and customer - customers are able to interact with their favorite brands.

Social Media has created a shift in traditional marketing. It has converted consumers from passive receivers of marketing communications to active creators. In other words, the customers possess a lot of marketing power (Bazi et al., 2020). The excess use of social media creates new beneficial opportunities for companies, and the content they generate increases profitability, cross-buying, relationships and customer spending. And maybe most important, understanding their customer (Bazi et al., 2020).

According to Bazi et al. (2020) social media can have several beneficial effects on a brand, such as electronic word-of-mouth, loyalty, stimulating purchase intention, positively affecting customer-product and brand and overall leading to enhanced brand performance.

In addition, social media can increase the credibility of marketing. Due to the fact that consumers today are more skeptical towards traditional advertising than before.

Luxury brands have conventionally been deliberate to adapt to an online world. Brand managers were early on skeptical of the use of social media. They were critical of allowing someone else to get involved with their brand. Due to the potential of a risk of diminishing the perception of exclusivity associated with luxury (Bazi et al. 2020). After years of fear that social media could ruin their well built-up brand reputation, luxury brands are gradually exploring and implementing social media as part of their marketing strategy. A challenge luxury brand managers face when implementing social media, is maintaining exclusivity and core values (Bazi et al. 2020).

3.9 Influencer Marketing

Influencer Marketing is another concept that is important to elaborate further. Influencers have grown in step with the development of social media. Evans et al. (2017) argue that influencers are a new category of opinion leaders and that they are found somewhere between celebrities and friends. Influencers have become known through social media and this is exactly where they have developed the activities that are known for (Schouten et al., 2019). It is the content influencers share and their use of social media that creates their reputation (Hu et al., 2020).

Lou & Yuab (2019) argue that influencers are perceived as more reliable and credible than "ordinary" celebrities. Due to the fact that influencers often have more specific segments. Those who follow influences on social media can in many cases recognize themselves in them and thus feel more of a friendship. Despite the fact that, in many cases, the followers perceive influences as a type of friend, they are experts in their fields. Based on this, consumers will often seek out to influencers if they are to make a purchase decision. Simply because they have built up so much credibility that they trust their opinions and attitudes towards various services and products (Rahman et al., 2014).

Influencers strongly encourage brands to use Influencer Marketing in their communication strategies. They argue that they have a great potential to reach large target groups and thus influence both existing and new customers to buy the products / services the brand offers (Hudders et al., 2020). Lin et al. (2018) argue for the potential the influencers have to spread positive word of mouth in their strategic use of the various media channels. Influencer Marketing has grown enormously in recent years and Abidin (2015) claims that it has become an important key component in brands digital strategy. In recent years, a lot of research has been done on how Influencer Marketing works and it has given companies a deeper understanding of how to use it (Lee & Watkins, 2016).

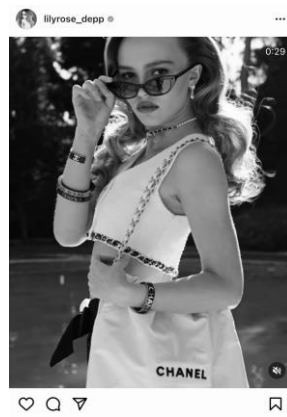
Influencer Marketing has put a lot of emphasis on the fact that it is highly important that there is a good fit between the brand and the influencer. Brands should note that it is not always the most coveted influencer that is the best choice. Studies show that if you choose a suitable influencer, this will improve and increase the customer's brand image and purchasing intentions (Breves et al. 2019; Kim & Kim 2020). While on the other hand it can damage the brand

reputation considerably if they use an inappropriate influencer (Freberg et al. 2011; Kozinets et al. 2010).

In order for there to be a good match between the influencer and the brand, there are several things that must be taken into account. Among other things, it is very important that the influencer and the brand have the same target groups (Lee and Eastin 2020; Lin, Bruning & Swarna 2018). In addition, it is very important that the influencers and the brand carry the same attitudes, values and goals. If the influencer does not reflect the same attitudes, values and goals that the brand has - this can damage the brand significantly (Kim & Kim 2020). For example, consumers may have the wrong associations with the brand.

Influencers have become a big part of the digital marketing strategy for companies. The interesting question, however, is how this type of activity affects luxury brands. Kapferer (2012) states “Keep stars out of your advertising” and “Don’t put anyone in your advertising”, p. 261. Kapferer & Bastien (2012) argues that luxury brands should not use so-called "stars" or "ambassadors" to promote the products, but rather show the world the strong personalities who use the products.

Kapferer & Bastien (2012) further argues that luxury brands must understand the difference between paying a "star" to be included in the advertising and using a personality as a brand testimonial user. However, recent research illustrates that Influencer Marketing has grown a lot among luxury brands (Qian & Park, 2021). Yet, professionals like Kapferer & Bastien (2012) are concerned about how this could ruin the well-built luxury brands. Qian & Parks (2021) illustrates in their research that if luxury brands should have advantages of the use of Influencer Marketing, it is imperative that the influencer's image is a good match with the luxury brand.



Instagram, Lancome (2022) Instagram, Lily Rose Depp (2022) Instagram, Burberry (2022)

3.10 E-commerce and the Digital Transformation of Luxury

The concept “electronic commerce” has been supplemented by several diverse terms such as i-commerce, e-marketing or e-business. According to Bhat & Kansana (2016), e-commerce includes selling services, goods, or conducting data or funds over an electronic network. One can argue that e-commerce is a paradigm shift that is highly affecting both customers and companies. In other words, e-commerce is altering the traditional way of doing business or marketing and is continuing to grow around the world (Bhat & Kansana, 2016).

Chaffey (2015) states that “E-commerce should be considered as all electronically mediated transactions between an organization and any third party it deals with” p. 13. In the book *Digital Business and E-commerce Management*, it is argued that there are different motivations behind a company wanting to adopt e-commerce. Among other things, companies are extremely interested in looking at the benefits e-commerce can have for both generating value and influencing profitability (Chaffey, 2015).

The digital revolution has created a shift in both the luxury market and the luxury customer experience. The traditional market has been around for decades and has mainly been known for its characteristic of being unavailable and rare. Now the

market demands an impeccable combination between offline and online channels, in addition to being affected by omnichannel retailing (Pellicelli & Franze, 2020). In the realm of luxury brands, exclusivity has always been in the center, and this meant having a flourishing in-store experience and minimal online presence.

It's a fact that luxury brands have been skeptical of the new shift and have been slower than non-luxury companies to adapt to online marketing. According to Pellicelli & Franze (2020), the trends of e-commerce, digital marketing and online purchasing overall contribute to increased market growth for luxury brands more than cannibalization. Luxury brands wish to have a premium image that is available and exclusive to a niche market. Thus, luxury brands face a great challenge whereas the internet in contrast is all about reaching the masses all over the world (Hughes et al., 2016.)

Although many researchers are critical and skeptical of luxury brands being online, there are several who believe the quite opposite. According to Batat (2019), generating an online luxury experience strategy is a winning strategy that allows luxury brands to reply to the transformation of the digital and economic environment. Batat (2019) also states that luxury brands should meet the demands of their new digital consumers expectations and needs by offering a package consisting of five central features:

1. Deliver offline and online experiences that are useful, exciting, emotional, and interactive.
2. Allow consumers to choose their experiences and the way in which they would like to interact with the luxury brand;
3. Luxury brand should reserve a space for improvisation and customization of its offers;
4. Establish a continuum between in-store and online experiences;
5. Collect immersive and deep data to better understand the online behavior of the target

Figure 5. Online Luxury Customer Experience (Batat, W. 2019, p 55)

In the technological era of today, luxury brands understand that a positive online customer experience is fundamental to the success of the global digital strategy of the company.

According to statistics, it is expected that global e-commerce sales will account for as much as 95% of the total sales in 2040 (DeAcetis, 2020). The internet and e-commerce offer an opportunity for luxury brands to offer the best service possible for the busy and affluent customers. McKinsey (2018) reported that online luxury sales will increase by more than triple and reach \$91 billion by 2025. Achille et al. (2018) also states in a report for McKinsey that “Digital is a critical source of growth and a powerful way to increase brand equity. It also enables companies to reimagine key enterprise processes, both front end and back of house. A luxury 4.0 operating model has begun to emerge: “brands and retailers use data to get closer to customers, capture emerging preferences, and streamline the process of turning ideas into new products” p.1.

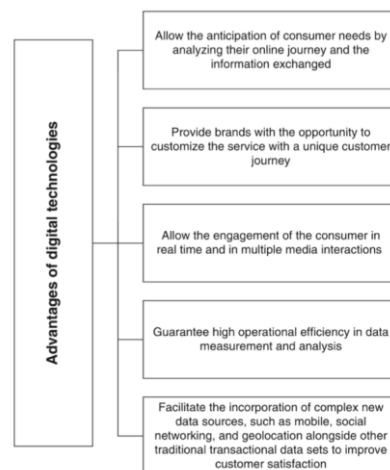


Figure 6. Digital tools used in the customer experience (Batat, 2019)

Figure 7 summarizes the most important digital tools that give several advantages when creating a successful digital luxury experience (Batat, 2019). According to McKinsey (2018) report, luxury goods such as beauty products, perfume, jewelry, and leather goods stand for a total of 8% of the €254 billion luxury market. In

addition, the report states that almost 80% of luxury sales are digitally induced (McKinsey, 2018).

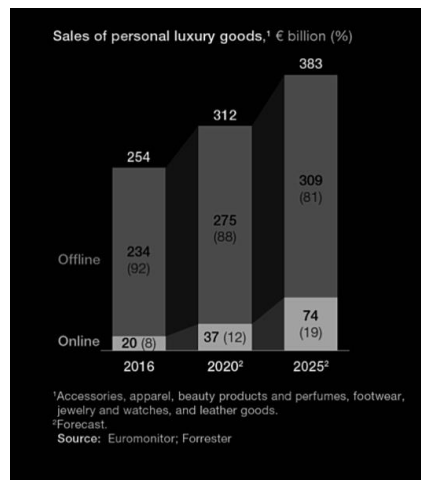


Figure 7. Sales of personal luxury goods (McKinsey & Company, 2018).

McKinsey (2018) claims that almost every customer buying luxury goods has devotedly embraced the digitalization of luxury – and it’s not only millennials. As well, the traditional customer journey is not what it once was. As of today, the digital customer journey enables luxury customers to engage with brands through several touchpoints - an exceedingly personalized journey.

Through the shopping journey the customer is central the whole way. Hence, digital luxury can be seen as a customer-to-customer economy and the luxury consumers are actually becoming another marketing channel itself (McKinsey, 2018). Luxury consumers are highly involved on social media, and this could potentially result in some implications for luxury brands. Thus, luxury brands need to accept that some facets of their messaging could be co created with their customers, rather than controlled one-sidedly by the brand (McKinsey, 2018).

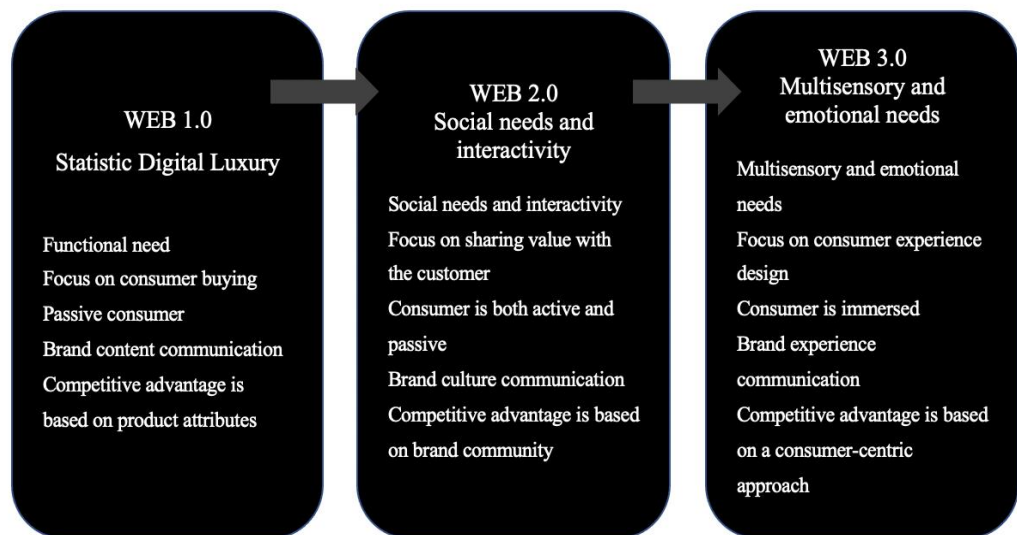


Figure 8. The shift from Web 1.0 to Web 3.0 (Batat, 2019)

Figure 8. Constructed by Batat (2019), illustrates the shift from web 1.0 to web 3.0. The model summarizes central features that highlights the shift from the functional and static digital luxury era (web 1.0) to a more pragmatic and experiential digital luxury marketing (web 3.0). Thus, the model urges luxury brands to implement digital marketing tools that are well-suited with designing ultimate, profitable and efficient luxury experiences towards the customers. Hence, by setting up immersive, sensory and interactive digital strategies (Batat, 2019).

3.11 How the Pandemic changed the Luxury Industry

The pandemic has greatly affected companies to adapt and use e-commerce. As a result of the pandemic, consumers have changed their shopping habits. In order for large and small companies to survive, they had to adapt to the new trends (Arabianbusiness.com, 2020). Before the pandemic, few luxury brands offered consumers the opportunity to buy products online. Many luxury brands have avoided selling their products online, in order to, among other things, have full control over the brand identity. However, according to a study conducted by Keaney, many luxury brands have adopted e-commerce under the pandemic to compensate for the closure of the physical stores (Monteton, 2022). The study also indicates that the digital shift to e-commerce has come to stay. Given that

consumers now have adopted the trend of buying luxury brands online. It is argued that it is important that luxury brands adapt to the consumer's new trends.

4.0 METHOD

In the following chapter, we will elaborate and explain the underlying method. First, we will explain the research purpose. Second, we will explain and argue for the chosen research strategy, research design and research process. Third, we will elaborate on the data collection and the data analysis. Finally, we will look closer into reliability and validity. The theory in this chapter will mainly be based on the book *Research Methods and Data Analysis for Business Decisions* by Sallis et al. (2021).

4.1 Research Purpose

The purpose of this study is to *understand the role of digital marketing for luxury brands*. From distancing itself from everything that has to do with accessibility and advertising, many luxury brands have today entered the digital world. Based on available literature and research, there are large differences in attitudes towards the digital shift. While some experts in this field argue that the digital world will destroy the fundamental values of the luxury brands, some experts claim that it is absolutely necessary that they enter the digital world to meet the consumers' expectations to survive. Therefore this study intends to provide a bigger understanding whether digital marketing is a tool for luxury brands to generate sales or building brand reputation through for example storytelling.

4.2 Research Strategy

In this study, two different strategies have been used to acquire relevant data. In order to gain a broader understanding and insight into the kind of research that has been done on this topic, *secondary data* have been collected. Secondary data is data that already exists and has been collected by someone else for another purpose (Sallis et al., 2021). This type of data has primarily been used in the literature review. Under current findings about the luxury market, the development of digital marketing and social media marketing. In order to obtain data to answer our underlying research question and hypotheses, *primary data*

were collected. Primary data is used by researchers to answer specific research questions (Sallis et al., 2021).

Intending to obtain primary data, the study had to choose between quantitative and qualitative research. To be able to answer the underlying research question and hypotheses, we found that it was most suitable to use *quantitative research*. Put in a context that quantitative research will give us the most accurate and largest possible data from respondents. The communication between the respondents and analysts will be standardized. In this way, one will be able to look at variations and similarities between the respondents. The standardization will also provide an opportunity to generalize the results from the sample.

4.3 Research Design

The research design of the study is about presenting a description of the analysis process in order to be able to answer the problem statement and the hypotheses. The research design is chosen depending on what knowledge the researcher has about the current field. In addition to what ambitions the researcher has with regard to analyzing and explaining connections (Sallis et al., 2021). According to Sallis et al. (2021), it is a common procedure to distinguish between three different designs: exploratory, descriptive and casual.

In exploratory design, the researcher normally has little information about the topic. The aim of the study is therefore usually to study the area in more detail. In this case, the researcher also does not usually have relevant theoretical models as a starting point. While with a descriptive design, the researcher has a broader understanding of the problem area. The purpose will often be to describe the situation in a particular area. Finally, we have casual design. This is used if the researcher wants to look more closely at casual relationships between two variables. Experiments are usually used here (Sallis et al., 2021).

In relation to the study, having a descriptive design would be most appropriate. Given that we already have an understanding of the problem area. In addition to that the purpose of the study is to gain increased insight and understanding of the role that digital marketing has for luxury brands. To answer this, it was chosen to use Qualtrics. Which is a web-based tool offered at BI Norwegian Business School.

4.4 Research Process

The study collected relevant data through a self-administered online survey. The survey was accessible to the public within the period from 20th of April to 23th of May 2022. According to Gripsrud et al. (2018), a questionnaire is "an instrument for collecting information that means that communication between the interviewer and the respondents is standardized" p. 234. According to our master's thesis and based on available knowledge, data collection through a survey is highly practical and efficient. In this way, the communication will be standardized, between the respondents and us as analysts. Here one will be able to see variation and similarities in responses from the respondents, and furthermore the standardization will provide the opportunity to generalize results from the sample.

The questionnaire was designed with Qualtrics, consisted of 23 questions and was fully anonymous. Qualtrics is a web-based tool offered at BI Norwegian Business School and is an online survey tool to administer and create surveys online (Qualtrics, 2022). By using a web-based survey, one can reach out to a large group of respondents with the same questions. This is very efficient and beneficial as the respondents themselves can choose the time and place. At the same time, one must also look at any disadvantages of the chosen method. In this case, a possible outcome is that the respondent don't complete the entire survey by ending the survey halfway, which may lead to biases in the sample.

To achieve a valid result, we conducted a pretest on a small sample on 15th of April 2022, before we published the actual survey and obtained the current data collection. In this way, it was possible to uncover any errors and misunderstandings, and make changes to further improve the survey. Based on the pretest, the final outline was published for respondents on 20th of April. The survey is initiated by a brief introduction of the purpose and the research ability without leading the respondent in a given direction. The questionnaire is introduced by asking the respondents if they have a relationship to luxury brands or products and uncover their attitudes toward luxury. Next, some questions about important luxury attributes were asked and how they are being affected by online presence.

Further, the respondents were asked questions about the different ways luxury brands can use their presence online - whether it affects negatively or positively.

In addition, their attitudes toward online-shopping and awareness of luxury brands. Next, they were asked about the relationship the respondent has with influencers and luxury brands. Lastly, they were asked questions about basic demographics to be able to see if there is a connection between the demographics and the relationship to luxury brands. In order to obtain the most precise answers for the analysis, the questionnaire consisted of different types of questions. In addition to keep the respondents interested throughout the survey. The questions asked consisted of likert scales (levels of agreement), rating scales, dichotomous (yes / no) and multiple choice. To avoid misunderstandings and make the questionnaire as precise and accurate as possible, the questions were clear and easy to read. There was only one topic/subject per question and it was easy to decipher.

According to Gripsrud et al. (2018) one of the biggest challenges in developing a questionnaire is to design scales and question formulations that will be able to give valid results. One of the things we want to measure in this particular survey is attitudes, opinions and perceptions - something that is often the most difficult to measure. It was chosen to design questions according to the Likert scale where respondents were asked to rank different options. In addition, scales with categorical answer alternatives such as yes and no have been used. Non-comparative scales can also be found in the survey, where the respondent is not asked to explicitly compare with anything else (Gripsrud et al. 2018).

4.5 Data Collection

To gather data and reach a wide range of consumers, the survey was shared on social media platforms such as LinkedIn and Facebook. Friends and family were encouraged to share the survey among their acquaintances, which assured a wider reach of respondents. Based on the circumstances, time and finances, a non-probability sample was the natural choice in this survey. The survey was conducted online, where only respondents who were willing to answer would do so. This resulted in a self-selection sampling, instead of for example snowball and quota sampling. The respondents were able to answer the survey in English, which facilitates the opportunity to reach a wider audience.

Throughout the process the respondents were invited and reminded kindly to take the survey once again. The data collection took place between the time period of

20th of April to 2th of May. After the 23th of May, only fulfilled questionnaires were considered and the survey was unavailable. The final sample size consisted of 104 answers, while only 101 completed the whole questionnaire. Thus, 101 were approved for further analysis. Hence, because of invalid answers due to lack of information throughout the survey. Based on the final sample size and valid questionnaires, the response rate was determined.

The response rate = number of qualified units in the sample / total number of completed questionnaires. Response rate = $101 / 104 = 0.9711$. This equals an overall **response rate of 97%**.

4.6 Data Analysis

Qualtrics is a useful analysis tool that was used to analyze demographic variables such as age, gender and profession. In Qualtrics we developed a bar chart to illustrate age and profession, and a histogram to illustrate gender. Further, the data set was converted from Qualtrics to SPSS. In addition, unnecessary columns were deleted, the data were systematized and variables were defined.

The SPSS program was chosen to analyze the data from the survey. SPSS is a statistical software program that is often used to analyze data from questionnaires. The reason for choosing SPSS is due to the possibility to perform several different analyzes and get an accurate view of the results. It was found beneficial to be able to identify differences, similarities and variations. In this way, it will be easier to draw correct conclusions and answer the set of hypotheses. According to how the questions were formed and the choice of scales, custom tables, means and confidence intervals were the most appropriate analyzes to perform in SPSS.

4.7 Reliability

To measure the degree of reliability means to measure how reliable the survey that is carried out actually is. That is, to what extent the results can be verified and whether the survey shows the real situation. According to Sallis et al. (2021) “reliability refers to the consistency of how well we measure something. While Saunders et al. (2007) refers to reliability to the degree the analysis and method of data collection will lead to persistent findings. The less random errors that occur, the more reliable a measurement is. In other words, the degree to which one can

trust the answers one has received through, for example, a survey. Reliability is often characterized by the fact that it shows how well we measure what we measure. Any random or systematic errors that may occur, are highly related to the type of sample and the sample size (Sallis et al., 2021).

According to Gripsrud et al. (2018), reliability can be measured through two fundamental ways: measuring stability over time and measuring internal consistency. The internal coexistence illustrates how different samples can produce similar results to measure a phenomenon. The most well-known measure of internal consistency is Chronbach's alpha. Chronbach's alpha measures between indicators belonging to the same variable. If Chronbach's alpha is greater than 0.7 and not too close to 1.0, an indicator is considered reliable (Gripsrud et al. 2018). Cronbach's alpha is a result of the correlation between the number of indicators. Cronbach's alpha will increase the more indicators one has and based on the correlation between the indicators. For example in a survey, one wants to avoid too high a correlation, where the result is too close to 1.0. The reason for this is that a high correlation may indicate that the indicators are too similar (Gripsrud et al., 2018).

It is not easy to control how the respondents interpret questions in a questionnaire. Because a survey needs to be consistent to be reliable, in addition one expects the respondents to interpret questions as they were deliberated to be interpreted. One can test reliability through different alternatives. One can test through Cronbach's Alpha as mentioned, in addition to re-test and test the survey in different environments with a dissimilar sample under as equal conditions as possible. Lastly, one can for example implement the same question twice (usually in longer surveys), and works as a “check question”. Thus, one can test if the respondent answers the same as before (Saunders et al., 2007).

4.8 Validity

Sallis et al. (2021) state that “validity refers to how well we measure what was intend to measure” p. 32. Even if the reliability is high, it does not necessarily mean that the validity is high. When conducting research, one can achieve a very high degree of reliability and accuracy. However, one may measure something else other than what was originally intended. Sallis et al. (2021) distinguishes between *external validity* and *internal validity*. With internal validity, the authors

argue that the researcher must be certain that variable X is the cause of the variation in the variable Y. This means that this variation must not come from other factors that have not been taken into account.

Internal validity is also about whether the survey actually measures what it intends to measure. In our study, it was therefore highly important that we performed a pre-test. In this way, we could clarify whether there were any questions that, for example, had to be formulated in a different way for the respondents to understand the question better. After completing the pre-test, we got some feedback that we had not included important purchase categories within luxury brands. In addition, it was very important that we formulated the questions as simply as possible, without complex and difficult theoretical expressions, so that the respondents would actually be able to understand what they were being asked.

While external validity is about generalization (Sallis et al., 2021). In other words, the researcher must look at the extent to which the results can be transferred to similar situations or groups. The goal of a type of study that we have conducted is, of course, that it is possible to generalize the results to other situations, groups, settings and people. Based on the fact that we only have 101 valid answers, thus we can not generalize the data to equal groups. In other words, there is no external validity.

Furthermore, a distinction is made between *concept validity*, *content validity*, *face validity* and *conclusion validity* (Gripsrud et al., 2018). Concept validity is about testing how highly correlated indicators and theoretical variables are. In other words, are the theoretical concepts in the research question in harmony with the questions in the survey? In our survey, we have used the same theoretical concepts that are in the research questions and hypotheses. On the basis that they are not too advanced and it is thus assumed that the respondent has knowledge of the concepts. While content validity is about the extent to which the survey actually covers the theoretical domain. In order to achieve high content validity, it was thus important that we were able to design relevant questions so that the theoretical concepts were actually covered.

Face validity, on the other hand, is about whether the content of the survey is suitable for measuring what it is meant to measure. In order to achieve high face

validity, it is highly important that the content of our survey corresponds with exactly what we want to measure. Therefore we went over the questions we had designed several times, to be sure that the content was designed so that we could draw conclusions in relation to our research questions and hypotheses. Finally, we have conclusion validity. This is about the extent to which it is actually possible to draw conclusions based on the statistical analyzes made by the answers from the survey. Due to the fact that the sample from our survey is not representative for an entire population, we will in this study unfortunately have low conclusion validity.

5.0 RESULTS AND FINDINGS

The following chapter presents the main results of the survey. The aim of the study was to confirm or reject the various hypotheses that have been formulated in relation to luxury brands and digitalization. First, a general overview of the transcript of the analysis will be given.

5.1 Demographics

To get an overview of which age group the various respondents belong to a bar chart was created. The age groups are ranked according to how many respondents belong to the different groups. The age group with the most respondents is 18-25 years, with a total of 31.68 %. While the second largest age group is 51-60 years, and 24.74 % of the respondents belong to this group. The age groups with the fewest respondents are 31-35, 36-40 and 61+. Only 6.93 % of the respondents belong to these age groups. The mean for this question is 3.94. The mean ends up in the age group 36-40. However, only one person is in this age group. This is due to the fact that most respondents are either 18-25 and 51-60.

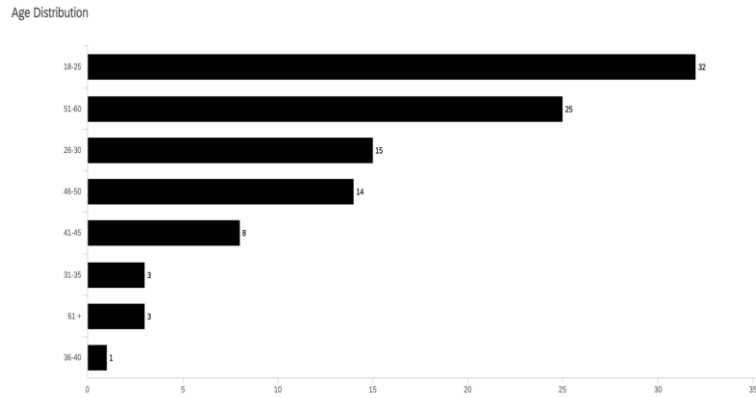


Table 1. Age Distribution

Furthermore, to get an overview of the distribution of gender a sector diagram was created. The sector diagram illustrates that 70.30 % of the respondents are female. While 26.73 % are male. Additionally, 1.99 % prefer not to answer, while 0.99 % constitutes non-binary/third gender.

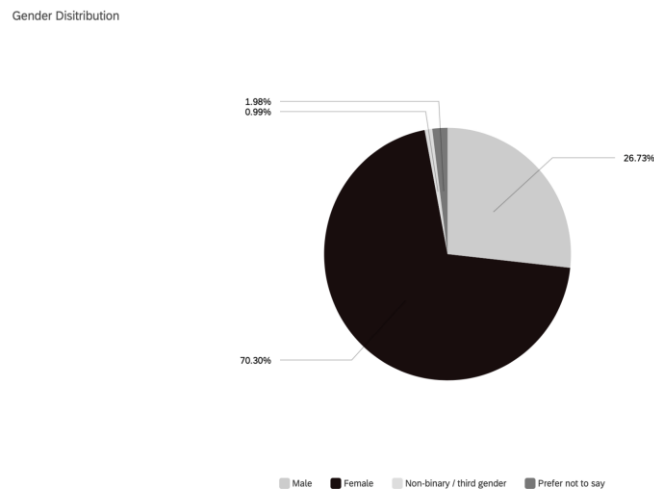


Table 2. Gender Distribution

The Profession histogram illustrates that full-time employees make up the largest proportion of respondents with a total of 56.44%. Furthermore, the second largest group consist of students with part-time jobs that constitute a share of 28.71%. The group that makes up the least share of the respondents is "unemployed", "part-time employee" and "other" with a result of 4.95%.

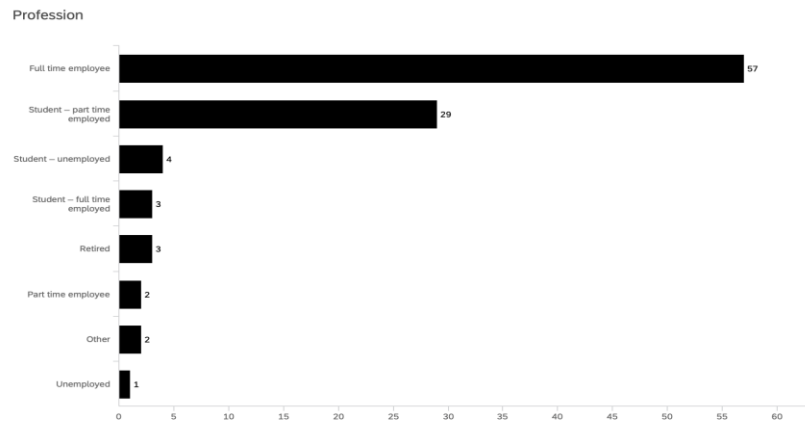


Table 3. Profession

5.2 Luxury Brands Attributes

According to the presented theory, luxury brands are built on strong attributes and that is the whole foundation of their existence. Based on this, it was necessary to get an overview of which attributes the respondents associate with luxury brands. The respondents were therefore asked to rate the various attributes, in relation to what they associate with luxury brands. The following table illustrates that most of the respondents either somewhat agree or strongly agree that they associate the following attributes with luxury brands. In addition, the respondents were also asked if they own one or more luxury brands. Hence, 79.21 % of the respondents answered yes. This indicates that a large part of the respondents have a relationship and affiliation with luxury brands. Which is highly important when drawing conclusions based on the answers. Given that the respondents are consumers of luxury brands.

Table 5 gives an indication of the different means for each individual attribute in connection with the term "luxury". The means in the model shows that the majority of respondents somewhat agree that *uniqueness, quality, status, price functionality, design, history of the brand and heritage, rarity, high level of customer service, reconcilable label/logo* and *exclusivity* are associated with luxury. The table also includes the confidence interval for the different attributes. The confidence interval for the attributes uniqueness, status, history of the brand and heritage,

high level of customer service, reconcilable label/logo and rarity indicate with 95 % confidence that the population means will fall under somewhat agree. While the confidence interval for the attributes quality, price, design and exclusivity indicate with 95 % confidence that the population means will fall between somewhat agree and strongly agree. Lastly, the confidence interval for the attribute functionality indicates with 95 % confidence that the population mean will fall between neither agree nor disagree and somewhat agree.

#	Field	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
1	Uniqueness	4.04% 4	10.10% 10	17.17% 17	45.45% 45	23.23% 23
2	Quality	0.00% 0	1.98% 2	13.86% 14	53.47% 54	30.69% 31
3	Status	2.02% 2	9.09% 9	16.16% 16	48.48% 48	24.24% 24
4	Price	0.00% 0	5.05% 5	18.18% 18	29.29% 29	47.47% 47
5	Functionality	1.00% 1	14.00% 14	35.00% 35	38.00% 38	12.00% 12
6	Design	1.00% 1	2.00% 2	9.00% 9	48.00% 48	40.00% 40
7	History of the brand and heritage	3.00% 3	5.00% 5	20.00% 20	44.00% 44	28.00% 28
8	Rarity	6.00% 6	6.00% 6	25.00% 25	42.00% 42	21.00% 21
9	High level of customer service	2.00% 2	5.00% 5	30.00% 30	43.00% 43	20.00% 20
10	Recognizable label/logo	4.00% 4	7.00% 7	17.00% 17	41.00% 41	31.00% 31
11	Exclusivity	4.00% 4	1.00% 1	12.00% 12	49.00% 49	34.00% 34

Table 4. Attributes

	Std.Deviation	Variance	Mean	95 % CI lower bound	95 % CI upper bound
Uniqueness	1.055	1.114	3.74	3.53	3.96
Quality	.716	.513	4.13	4.00	4.29
Status	.966	.933	3.84	3.65	4.04
Price	.911	.830	4.19	4.01	4.38
Functionality	.915	.837	3.46	3.27	3.64
Design	.780	.608	4.24	4.09	4.40
History of the brand and heritage	.973	.947	3.89	3.69	4.08
Rarity	1.006	1.136	3.66	3.46	3.89
High level of customer service	.906	.821	3.88	3.56	3.93
Recognizable label/logo	1.057	1.117	3.88	3.66	4.09
Exclusivity	.929	.862	4.08	3.91	4.28

Table 5. Mean Attributes

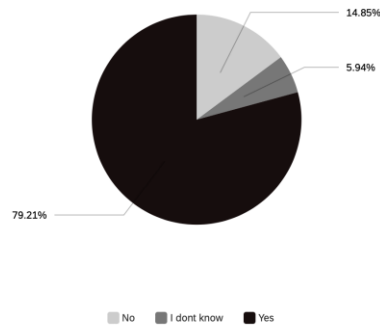


Table 6. Own one or more Luxury Brand

5.3 Brand Image

In our research it is highly relevant to explore how digital integration affects how customers experience the brand image of luxury brands. In this part it will be given an analysis that illustrates if the customers' brand image of luxury brands vary in relation to whether they are exposed to sales promotion or content that is intended to increase brand reputation. The following hypothesis will be tested:

H1: The brand image customers have for luxury brands vary in relation to whether they are exposed to sales promotion or content that is intended to increase reputation.

H1a: Sales promotion has a negative influence on the attribute uniqueness related to luxury brands.

H1b: Content that is intended to increase reputation has a positive influence on customers' attitude towards luxury brands.

In order to answer the hypothesis six different questions were created. First, the respondents were asked “If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate brand image, uniqueness and exclusivity from negative to positive”. To analyze the answers from the respondents, Custom Tables in SPSS were used. From the table, we see that 50.00 % of respondents thought that it has a somewhat- or extremely positive effect on

brand image when luxury brands use sales promotion in social media. On the other hand, 29.00 % of the respondents believe that it has a somewhat- or extremely negative effect. In addition, 21.00 % of the respondents believe that it has neither a positive nor a negative effect.

Furthermore, the respondents were asked to assess the effect of sales promotion on the attribute *uniqueness*. As shown in the table, 37.62 % of the respondents believe that it has a somewhat- or extremely positive effect. On the other hand, it is seen that 26.73 % of the respondents believe that it can have a somewhat- or extremely negative effect. Here, however, 35.64 % of the respondents are neutral and believe that it has neither a positive nor a negative effect. In addition, the attribute *exclusivity* was considered. 36.36 % of the respondents believe that sales promotion can have a somewhat- or extremely positive effect. Where 38.38 % of the respondents believe it may have a somewhat- or extremely negative effect. In addition, it is identified that 25.25 % of the respondents were neutral, where they did not believe that it had a positive or negative effect.

Second, the respondents were asked to rate the statement “If a luxury brand uses social media to post photos and stories (brand storytelling), not to promote sales, but to promote brand identity, this could have a positive influence on your attitude towards the luxury brand”. Here, as many as 71.25 % of the respondents answered that they either somewhat agree or strongly agree that it has a positive influence on their attitude towards the luxury brand. While only 8.91 % of the respondents answered that they either strongly disagree or somewhat disagree that it has a positive influence on their attitude towards the luxury brand. It can also be identified that 16.83 % of the respondents were neutral to this statement.

Third, the respondents were asked to rate the statement “If a luxury brand uses social media as a digital magazine to increase brand reputation, this could have a positive impact on your attitude towards the luxury brands”. On this question 69.30 % of the respondents answered that they either somewhat agree or strongly agree that it has a positive influence on their attitude towards the luxury brand. Only 4.95 % of the respondents answered that they either strongly disagree or somewhat disagree that it has a positive influence on their attitude towards the

luxury brand. In the table we can also identify that 25.74 % of the respondents were neutral to this statement.

Lastly, the respondents were asked to rate the statement “If a luxury brand uses social media to share heritage/history about the brand. This could have a positive impact on your attitude towards the luxury brand”. The Custom Table identifies that 79.21 % of the respondents answered that they either somewhat agree or strongly agree that it has a positive influence on their attitude towards the luxury brand. Further, only 6.93 % of the respondents answered that they either strongly disagree or somewhat disagree that it has a positive influence on their attitude towards the luxury brand. The following question, 13.86 % of the respondents were neutral to this statement.

	Extremely negative effect	Somewhat negative effect	Neither agree nor disagree	Somewhat positive effect	Extremely positive effect
Sales promotion – effect on Brand Image	6.00 %	23.00 %	21.00 %	42.00 %	8.00 %
Sales promotion – effect on Uniqueness	5.94 %	20.79 %	35.64 %	33.66 %	3.96 %
Sales promotion – effect on Exclusivity	7.07 %	31.31 %	25.25 %	30.30 %	6.06 %

Table 7. Brand Image

	Strongly Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
Brands storytelling – effect on customers attitude towards luxury brands	0.99 %	7.92 %	16.83 %	36.60%	34.65 %
Digital Magazine – effect on customers attitude towards luxury brands	0.99 %	3.96 %	25.74 %	40.59 %	28.71 %
Share heritage/history – effect on customers attitude towards luxury brands	0.99 %	5.94 %	13.86 %	51.49 %	27.72 %

Table 8. Brand Image

Further, a descriptive statistics analysis was performed to identify the means and confidence intervals. Table 8 illustrates that the mean is quite high. For the first question, the mean is 4.20. Thus, it means that the mean is on the upper limit of somewhat positive effect and lowest limit of extremely positive effect. For the second question, the mean is 4.10. This indicates that the majority of respondents answered that sales promotion has a somewhat positive effect on uniqueness. For the third question, the mean is 3.98. Which also indicates that the majority of respondents answered that sales promotion has a somewhat positive effect on exclusivity. In table 9 it can also be identified that the mean is quite high. Thus, the majority of respondents somewhat agree with those statements. The tables also include the confidence interval for the different questions. The first three confidence intervals indicate with 95 % confidence that the population means will fall between somewhat positive effect and extremely positive effect. Further, the other three confidence intervals indicate with 95 % confidence that the population means will fall under somewhat agree.

	Std.Deviation	Variance	Mean	95 % CI lower bound	95 % CI upper bound
Språk Sales promotion – effect on Brand Image	1.074	1.154	4.20	3.99	4.43
Sales promotion – effect on Uniqueness	.979	.959	4.10	3.91	4.30
Sales promotion – effect on Exclusivity	1.074	1.154	3.98	3.76	4.19

Table 9. Mean Brand Image

	Std.Deviation	Variance	Mean	95 % CI lower bound	95 % CI upper bound
Brands storytelling – effect on customers attitude towards luxury brands	.964	.930	3.99	3.80	4.18
Digital magazine – effect on customers attitude towards luxury brands	.891	.794	3.92	3.74	4.10
Share heritage/history – effect on customers attitude towards luxury brands	.866	.750	3.99	3.82	4.16

Table 10. Mean Brand Image

It has been argued by researchers that consumers' brand image is highly important. Brand Image is about the unique associations consumers have about the brand. The results indicate that we can reject the hypothesis that *sales promotion has a negative influence on the attribute uniqueness related to luxury brands*. Based on the results that illustrate that the largest proportion of the respondents neither agree nor disagree with the questions related to this hypothesis. Further, the results indicate that we do not reject the hypothesis that *content that is intended to increase reputation has a positive influence on customers' attitude towards luxury brands* due to the fact that the largest proportion of respondents are positive towards storytelling and sharing content through social media.

5.4 Digitalization of Luxury Brands

In relation to the theory given, it is discussed whether digitalization has a negative or positive impact on luxury brands. Some experts in the field claim that digital marketing can strengthen the brand, if used properly - for example through storytelling. Therefore, the following hypothesis was tested by analyzing the means from the relevant statements.

H2: Digitalization has a positive impact on luxury brands when they share content that is not sales promotion.

By performing a descriptive statistics analysis, we can identify the mean of strongly disagree, somewhat disagree, neither disagree nor agree, somewhat agree and strongly agree. Table 9 illustrates that the average overall mean is quite high. In the first statement, the mean is 3.99. Thus, it means that the majority of respondents somewhat agree that if a luxury brand uses social media to post photos and stories to promote brand identity, this could have a positive influence on their attitude towards the luxury brand. In the second statement, the mean is 3.92. This also indicates that the majority of respondents somewhat agree that if a luxury brand uses social media as a digital magazine to increase brand reputation, this could have a positive impact on their attitude towards the luxury brand. While in the third statement, the mean is 3.99. Which also means that the majority of respondents somewhat agree that if a luxury brand uses social media to share heritage/history about the brand, this could have a positive impact on their attitude towards the luxury brand.

The hypothesis that was tested is whether digitalization has a positive impact on luxury brands when they share content that is not sales promotion. The theory presented argues that digitalization for luxury brands can create great challenges, but also contribute to better customer experiences. There are huge differences in the views of the various experts in the luxury market field. The results from the survey indicate that we do not reject the hypothesis that *digitalization has a positive impact on luxury brands when they share content that is not sales promotion*. Based on that the majority of respondents are positive to content like storytelling and content about heritage in social media.

5.5 Social Media

Based on the theory presented, luxury brands face various challenges related to social media. It is argued by various experts in the field that social media does not correspond to the important attributes of luxury brands. Thus, the study wants to

research how customers experience the important attributes of luxury brands when they use social media. The following hypothesis has therefore been tested.

H3: Customers experience that the important components of luxury brands disappear with the use of social media.

H3a: Customers experience that uniqueness of luxury brands disappear with use of social media.

H3b: Customers experience that exclusivity disappears with use of social media.

H3c: Customers experience that rarity disappears with use of social media.

To analyze the answers from the statements, a Custom Table analysis was performed in SPSS. The results indicate that 24.75 % of the respondents somewhat- or strongly agree that the attribute *uniqueness* disappears with the use of social media. While, 49.50 % of the respondents somewhat- or strongly disagree that the attribute uniqueness disappears with the use of social media. On the other hand, 25.74 % of the respondents were neutral to the statement and answered neither agree nor disagree.

Furthermore, 21.77 % of the respondents somewhat- or strongly agree that the attribute *exclusivity* disappears with the use of social media. While 52.47 % of the respondents somewhat- or strongly disagree with the statement. In addition, 24.75 % of the respondents were neutral and neither agree or disagree. On the attribute *rarity*, 34.65 % of the respondents answered that they either somewhat agree or strongly agree to the statement. On the other hand, 42.57 % of the respondents somewhat disagree or strongly disagree that the attribute *rarity* disappears with the use of social media. While 22.77 % of the respondents were neutral to the statement.

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
Uniqueness	16.83 %	32.67 %	25.74 %	21.78 %	2.97 %
Exclusivity	18.81 %	33.66 %	24.75 %	18.80 %	2.97 %
Rarity	17.82 %	24.75 %	22.77 %	30.69 %	3.96 %

Table 11. Attributes

For the statements about social media, a descriptive statistical analysis was also performed to identify the means and confidence intervals. Table 11 illustrates that for the first statement, the mean is 2.61. This illustrates that the majority of respondents answered neither agree nor disagree that uniqueness disappears with the use of social media. Further, for the second statement that exclusivity disappears with the use of social media, the mean is 2.54. Which indicates that the majority of respondents somewhat disagree with that statement. Lastly, for the third statement that rarity disappears with the use of social media, the mean is 2.78. That indicates that the majority of respondents neither agree nor disagree with that statement. In addition, the three confidence intervals indicate with 95 % confidence that the population mean will fall between somewhat disagree and neither agree nor disagree.

	Std.Deviation	Variance	Mean	95 % CI lower bound	95 % CI upper bound
Uniqueness disappears with the use of social media	1.095	1.199	2.61	2.40	2.83
Exclusivity disappears with the use of social media	1.100	1.210	2.54	2.33	2.76
Rarity disappears with the use of social media	1.180	1.392	2.78	2.55	3.02

Table 12. Mean Attributes

It is argued by several experts like Dion & Arnould (2011), Hennigs et al., (2012) and Keller (2017) that social media does not correspond to the important attributes of luxury brands. Therefore, the hypothesis that was tested is that consumers experience that the important components of luxury brands disappear with the use of social media. The results from the survey indicate that we can

reject the following hypothesis: *customers experience that uniqueness of luxury brands disappear with use of social media*. Further, the results from the survey indicate that we can also reject the following hypothesis: *customers experience that exclusivity disappears with use of social media*. In addition, we can not reject the following hypothesis: *customers experience that rarity disappears with use of social media*.

5.6 Influencers

According to the literature review influencers could be a useful tool in a digital marketing strategy. On the other hand, researchers argue the use of influencers could have a negative effect if the values of the brand and the influencer do not correspond. Therefore luxury brands need to be careful with both choosing which influencer to work with, in addition to how to use them. In relation to our research question, the study aims to investigate whether the use of influencers is perceived differently, when the luxury brands use them to increase reputation or to promote sales. Hence, the following hypothesis will be tested.

H4: The use of influencers in digital marketing to increase reputation is considered positive by consumers if the match is perceived as good.

H5: The use of influencers in digital marketing to promote sales is considered negative by consumers.

To get an overview whether the respondents have been influenced by an influencer, a bar chart has been created. The respondents were asked if they have bought a luxury product after they saw an influencer use/promote it. The bar chart illustrates that 30.69 % of the respondents answered that they have definitely not been influenced. While 27.72 % answered that they have probably been influenced. On the other hand, 30.39 % claim that they have definitely not been influenced and 18.80 % claim that they have probably not been influenced. The bar chart also illustrates that 14.85 % of the respondents answered that they might or might not have been influenced. Table 14 shows that the mean is 2.60, which indicates that the majority of respondents answered might or might not. In addition, table 14 illustrates that with 95% certainty that the population mean will

be somewhere between probably not and might or might not have been influenced.

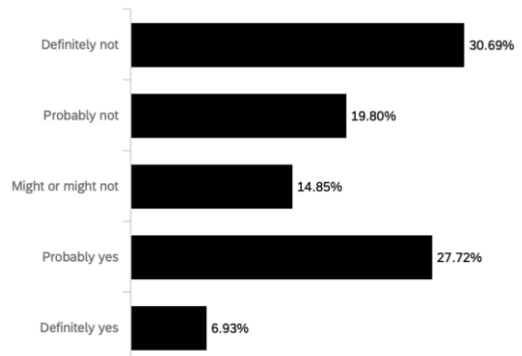


Table 13. Consumers being influenced

	Std.Deviation	Variance	Mean	95 % CI lower bound	95 % CI upper bound
Consumers being influenced	1.357	1.842	2.60	2.34	2.87

Table 14. Mean Consumers being influenced

The table below illustrates in which medium the respondents have been/or not been influenced by an influencer. The respondents could choose several alternatives. A total of 39.84% answered that they have been influenced through social media. While 28.13% answered that they have not been influenced at all. The least of the respondents answered that they had been influenced by an influencer on the street with a total of 3.13%.

1	Social Media	39.84%	51
2	Blog	3.91%	5
3	Newspapers / magazines	9.38%	12
4	TV / movies / series	7.03%	9
5	On the street	3.13%	4
6	I dont know	8.59%	11
7	Have not been influenced	28.13%	36

Table 15. Platforms

When asking the respondents if “The use of influencers in digital marketing to increase brand reputation could have a positive or negative impact on your attitude towards the luxury brand. Please rate from negative to positive”, a total of 40.59 % is somewhat- or extremely positive when it comes to increasing brand reputation through influencers. On the other hand, 32.67 % of the respondents were somewhat- or extremely negative. While 26.73 % of the respondents were neither positive nor negative. When asking the same question when it comes to sales promotion, 34.65 % of the respondents were somewhat- or extremely positive. While 37.62 % of the respondents were somewhat- or extremely negative to influencers being used to promote sales. In addition, 27.72 % of the respondents were neutral.

	Extremely negative	Somewhat negative	Neither positive nor negative	Somewhat positive	Extremely positive
Increase brand reputation	9.90 %	22.77 %	26.73 %	37.62 %	2.97 %
Promote sales	10.89 %	26.73 %	27.72 %	34.65 %	0.00 %

Table 16. Influencers

A descriptive statistical analysis was performed to identify the means and confidence intervals. For the first question, the mean is 3.01. This illustrates that the majority of respondents answered neither positive nor negative. While for the second question, the mean is 2.86. Which shows that the majority of the respondents also here answered that neither positive nor negative. In addition, the two confidence intervals indicate that with 95 % confidence that the population mean will fall under neither positive nor negative.

	Std.Deviation	Variance	Mean	95 % CI lower bound	95 % CI upper bound
Increase brand reputation	1.063	1.130	3.01	2.80	3.22
Promote sales	1.020	1.041	2.86	2.66	3.06

Table 17. Mean Influencers

The study tested both the use of influencers in digital marketing to increase reputation and to promote sales. The theory presented illustrates that the use of influencer marketing has grown a lot among luxury brands. However, it is argued that the match between the influencer and the luxury brand has to be good. From the survey we do not reject the following hypothesis: *the use of influencers in digital marketing to increase reputation is considered positive by consumers if the match is perceived as good*. Further, we can reject the following hypothesis: *the use of influencers in digital marketing to promote sales is considered negative by consumers*.

5.7 The Digital Customer Journey

According to the literature review luxury brands want to be perceived as special, unique and inaccessible. The study aims to test whether the customers experience the purchase process as valuable online as offline. In addition, will it ruin the touch of luxury - or add value? The following hypothesis were therefore tested:

H6: Luxury brands lose brand value when the products become too available to everyone online.

H6a: Customers experience that if they purchase luxury brands online, the luxury brand loses important attributes.

H6b: Consumers of luxury brands prefer to buy luxury brands in physical stores.

To analyze the answers from the statements, a Custom Table analysis was performed in SPSS. The respondents were asked whether luxury brands lose one or more of their attributes when they can be purchased online. A total of 30.69 % of the respondents did somewhat- or strongly agree with the statement. However, 41.58 % of the respondents did somewhat- or strongly disagree. While 27.72 % of the respondents neither agree nor disagree. In the next statement, the respondents were asked if luxury brands being available online adds additional value to the brand. In this case, 29.70 % of the respondents somewhat- or strongly agree with the statement. While 26.73 % of the respondents somewhat- or strongly disagree. In addition, 43.56 % of the respondents were neutral to the statement.

Further, the respondents were asked if they prefer to buy more expensive products physically in store rather than online. A total of 68.31 % of the respondents did somewhat- or strongly agree to this statement. While only 14.85 % respondents did somewhat- or strongly disagree. In this statement, 16.83 % respondents were neutral. In the last statement the respondents were asked whether luxury brands lose brand value when the products become too available to everyone online. A total of 53.46 % of the respondents somewhat- or strongly agree with the statement. While 23.76 % of the respondents somewhat- or strongly disagree. Lastly, 22.77 % of the respondents neither agree nor disagree with the following statement.

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
Luxury brands lose one or more of their attributes when they can be purchased online	19.80 %	21.78 %	27.72 %	27.72 %	2.97 %
Luxury brands being available online adds additional value to the brand	5.94 %	20.79 %	43.56 %	20.79 %	8.91 %
I prefer to buy more expensive products physically in store rather than online	2.97 %	11.88 %	16.83 %	38.61 %	29.70 %
Luxury brands lose brand value when the products become too available to everyone online	7.92 %	15.84 %	22.77 %	38.61 %	14.85 %

Table 18. Digital Customer Journey

For the statements about the digital customer journey a descriptive statistical analysis was performed to identify the means and confidence intervals. The first statement “luxury brands lose one or more of their attributes when they can be purchased online” the mean is 2.72. This indicates that the majority of respondents somewhat disagree with the statement. Further, the confidence interval indicates that with 95 % confidence the population mean will fall between disagree and neither agree nor disagree. The second statement “luxury brands being available online adds additional value to the brand” has a mean of 3.06. This indicates that the majority of respondents neither agree nor disagree. The confidence interval indicates that with 95 % confidence the population mean will fall under neither agree nor disagree.

The third statement “I prefer to buy more expensive products physically in store rather than online” resulted in a mean of 3.80. This designates that the majority of respondents somewhat agree with the statement. The confidence interval indicates that with 95 % confidence the population mean will fall under agree. For the fourth and last statement the respondents were asked if “luxury brands lose brand value when they become too available to everyone online”. The mean is 3.37 which indicates that the majority of respondents neither agree nor disagree with the statement. The confidence interval indicates that with 95 % confidence the population mean will fall between neither agree nor disagree and agree.

	Std.Deviation	Variance	Mean	95 % CI lower bound	95 % CI upper bound
Luxury brands lose one or more of their attributes when they can be purchased online	1.159	1.342	2.72	2.49	2.95
Luxury brands being available online adds additional value to the brand	1.008	1.016	3.06	2.86	3.26
I prefer to buy more expensive products physically in store rather than online	1.086	1.180	3.80	3.59	4.02
Luxury brands lose brand value when they become too available to everyone online	1.155	1.334	3.37	3.14	3.59

Table 19. Mean Statements about Luxury Brands

During the pandemic, consumers have changed their shopping habits. However, an important attribute of luxury brands is personal service. From the results we do not reject the following hypothesis: *Luxury brands lose brand value when the products become too available to everyone online.* Furthermore, we do not reject the following hypothesis: *Customers experience that if they purchase luxury brands online, the luxury brand loses important attributes.* In addition, we do not reject the last hypothesis: *Consumers of luxury brands prefer to buy luxury brands in physical stores.*

6.0 LIMITATIONS AND SUGGESTION FOR FURTHER RESEARCH

In the following chapter, it will be elaborated and looked more closely at limitations and suggestions for further research. As a result of this being a master's thesis, there appear to be several limitations regarding time and resources. The identified limitations will be highlighted in this chapter.

6.1 Limitations

First, the sample in this study is not fully representative. Based on the fact that the sample only contains 101 valid answers. In addition, the survey has been shared with friends and family. Further, friends and family have shared the survey further with their friends. In order for the sample to be representative, the survey should be shared with other customers as well. The findings of a research are only of scientific value if they can be generalized. The aim of a study is to generalize from the sample to the population. For the sample to be representative of the whole population, it requires two conditions: the population must be known and a valid method of sampling should be adopted (Andrade, 2020). As our research only consisted of 101 valid answers, from friends and family, we can not conclude that the data can be generalized to the whole population.

Second, there are limitations in terms of time. If we had access to more time, the study would also have performed qualitative research. It could be interesting to conduct in-depth interviews with strong luxury brands. In this way, the study could get a broader perspective on this topic from the luxury brand's side. In addition, it would have been interesting to conduct in-depth interviews with consumers who are not "online", and most likely elderly consumers. Since the study was conducted online through social networks, it can be expected that the respondents who were targeted were online affine - which further limited the sample. It would have been interesting to gain an understanding of their viewpoint of luxury brands being more and more accessible to everyone.

Third, the study is limited to the overall perspective of luxury. As the study analyzes luxury brands in general. It could have been beneficial to analyze the

research question more in depth, but due to the time limit it was not possible. This could have been performed by dividing luxury brands into several categories within luxury. It would have been interesting to look more closely at whether there had been different conclusions related to the different categories. Then the study could also compare if, for example, there has been large variations between clothing and technology. In addition, ask consumers about specific brands and products, and see if there is a difference when it comes to digitalization between them.

Fourth, luxury brands are bought by consumers from all over the world. The study would have gotten a more global perspective if the respondents had different nationalities. In this study, it is primarily the Norwegian population that has answered the survey. Due to the fact that the survey has been shared with Norwegian friends and family. Lastly, to achieve reliability in the study, it might have been convenient to ask the same question twice. In order to check if the respondents answer the same at the two questions.

6.2 Suggestions for further research

This study provides a general understanding of the role of digital marketing for luxury brands. More precisely, the study intended to provide a bigger understanding whether digital marketing is a tool for luxury brands to generate sales or build brand reputation through for example storytelling. Further research is recommended in order to produce valid results that can be generalized to larger parts of the population. In addition, that can be useful to luxury marketers when developing strategies.

The study sheds light on consumers' attitudes to the fact that luxury brands use digital marketing and that their products become easier to obtain through e-commerce. However, the study has not researched whether consumers' attitudes that luxury brands become more and more digital vary in relation to the different categories. Therefore, further studies need to be done on the various categories of luxury brands. If further studies are conducted on the various categories, the luxury brands will have something more reliable to relate to, when designing marketing strategies.

In addition, it is recommended to conduct studies that provide a more global perspective. Due to the fact that luxury brands are major international brands, which have consumers worldwide. In order to get better quality on the data, it is also highly important to have a representative sample. Hence, more customers of luxury brands must take part in the study. Thus, a more extensive research on consumers attitudes towards digitalization of luxury, social media and e-commerce must be conducted. Further research is highly necessary to support existing theory presented and provide explicit managerial recommendations. On the other hand, a clear and general overview of luxury and digitization was provided - and extensive research can make use of the underlying study.

7.0 CONCLUSION

The purpose of this study was to understand the role of digital marketing for luxury brands. This study intended to provide a bigger understanding whether digital marketing is a tool for luxury brands to generate sales or building brand reputation through for example storytelling. Thus, the study aimed to get a deeper understanding and insight of how the luxury industry should adapt to social media and digital strategies. Furthermore, get customers attitudes and perspectives of the use of digital marketing when it comes to luxury brands. Based on this, several hypotheses were developed which became the basis for further research. This is a field that is slightly unexplored and lacking former research, due to the fact that social media and digitalization has only been present for a short period of time. Hence, the intent of this thesis was to provide new insight and findings into the phenomenon of social media and e-commerce in luxury. Taking previous aspects into consideration, it can be concluded that the conducted research provides new insight to the luxury industry.

Theoretically, the results in this study indicate that consumers' attitude towards luxury brands using digital marketing to generate sales or building brand reputation is neither extremely positive nor extremely negative. The findings point out that consumers are more neutral or somewhat positive to luxury brands being online. In addition, unlike previous research, there is no further evidence that the

luxury brand image will be weakened once they sell online or use social media. As opposed to Kapferer & Bastien's arguments, there is no further evidence of their premise to be extracted through the conducted study. However, there is no clear evidence for disproving Turunen and Kapferer & Bastien's' argument for luxury brands being online. In terms of explaining how the consumers perceive online retailing for luxury brands, the results were not as explicit to provide valid and reliable findings. Thus, further research is exceedingly recommended due to the fact that brand image is the most fundamental asset that luxury brands have. Moreover, one can draw conclusions from both theory and research that brand image and brand identity are the most important concepts within the field of luxury marketing.

A managerial conclusion can be drawn. By taking the discussed aspects into account and the results of the study, it should be more beneficial than harmful for a luxury brand to implement an e-commerce strategy. Hence, the arguments against luxury brands being online should not pose a threat. When it comes to luxury branding, brand identity is key and can be considered as the most important tool. The respective brand image, which several researchers and marketers are afraid to dilute, stems from the brand identity concept. This brand identity has been conveyed consistently through the ages, but it exists no clear evidence that e-commerce will damage the brand image.

With this in mind, luxury brands could implement e-commerce and digital marketing strategies in their overall brand strategy and identity without diluting the brand. Hence, it could rather be seen as beneficial and efficient tool to strengthen brand image and brand identity. This in turn is supported by changing consumer behavior and new technology. Based on given theory, research and findings, it can be concluded that e-commerce and social media can function as a beneficial tool for luxury brands. Both for generating sales and strengthen brand image and brand identity. Additionally, great potential lies within this emerging sector and luxury brands should follow the trend.

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Appendix 1: Questionnaire

Q1 Please rate your agreement with the following statement:

I have a relation to luxury brands.

(By Luxury Brands we mean products that provide additional value to consumers, rather than what "ordinary" products provide. Luxury brands can come in many different categories: clothing, cosmetics, cars, technology etc.)

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q2 Do you own one or more luxury brands?

- No (1)
- I don't know (2)
- Yes (3)

Q3 In which category / categories do you buy luxury brands?

- Shoes (1)
- Bags / Wallets (2)
- Watches (3)
- Jewelry (4)
- Cosmetics (5)
- Technology (6)
- Travel (7)
- Clothes (8)
- None of the categories (9)
- I do not buy luxury brands (10)

Q4 Which of the following attributes do you associate with luxury brands?

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
Uniqueness (1)	0	0	0	0	0
Quality (2)	0	0	0	0	0
Status (3)	0	0	0	0	0
Price (4)	0	0	0	0	0
Functionality (5)	0	0	0	0	0
Design (6)	0	0	0	0	0
History of the brand and heritage (7)	0	0	0	0	0
Rarity (8)	0	0	0	0	0
High level of customer service (9)	0	0	0	0	0
Recognizable label/logo (10)	0	0	0	0	0

Exclusivity (11)

-
-
-
-
-

Q5 Please rate your agreement with the following statement:

Luxury brands lose one or more of their attributes when they can be purchased online.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q6 Please rate your agreement with the following statement:

Luxury brands being available online adds additional value to the brand.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q7 Please rate your agreement with the following statement:

Luxury brands lose brand value when the products become too available to everyone online.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q8 Please rate your agreement with the following statement:

I prefer to buy more expensive products physically in store rather than online.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q9 Please rate your agreement with the following statement:

Uniqueness of luxury brands disappears with the use of social media.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q10 Please rate your agreement with the following statement:

Exclusivity disappears with the use of social media.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q11 Please rate your agreement with the following statement:

Rarity disappears with the use of social media.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q12 If a luxury brand uses sales promotion in social media this could have positive or negative effects. Please rate from negative to positive.

	Extremely negative effect (2)	Somewhat negative effect (3)	Neither positive nor negative effect (4)	Somewhat positive effect (5)	Extremely positive effect (6)
Brand image (Brand image is the perception of the brand in the mind of the customer) (1)	0	0	0	0	0
Attribute uniqueness (Uniqueness is the extent to which the brand is rare and exclusive) (2)	0	0	0	0	0
Attribute exclusivity (Exclusivity is defined as a state of being limited or hard to access) (3)	0	0	0	0	0

Q13 Please rate your agreement with the following statement:

If a luxury brand uses social media to post photos and stories (brand storytelling), not to promote sales, but to promote brand identity, this could have a positive influence on your attitude towards the luxury brand.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q14 Please rate your agreement with the following statement:

If a luxury brand uses social media as a digital magazine to increase brand reputation, this could have a positive impact on your attitude towards the luxury brand.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q15 Please rate your agreement with the following statement:

If a luxury brand uses social media to share heritage/history about the brand. This could have a positive impact on your attitude towards the luxury brand.

- Strongly disagree (1)
- Somewhat disagree (2)
- Neither agree nor disagree (3)
- Somewhat agree (4)
- Strongly agree (5)

Q16 Have you bought a luxury product because you saw an influencer use/promote it?

- Definitely not (1)
- Probably not (2)

- Might or might not (3)
- Probably yes (4)
- Definitely yes (5)

Q17 In what medium did you see the influencer you were influenced by?

- Social Media (1)
- Blog (2)
- Newspapers / magazines (3)
- TV / movies / series (4)
- On the street (5)
- I don't know (6)
- Have not been influenced (7)

Q18 The use of influencers in digital marketing to increase brand reputation could have a positive or negative impact on your attitude towards the luxury brand. Please rate from negative to positive.

- Extremely negative (1)
- Somewhat negative (2)
- Neither positive nor negative (3)
- Somewhat positive (4)
- Extremely positive (5)

Q19 The use of influencers in digital marketing to promote sales could have a positive or negative impact on your attitude towards the luxury brand. Please rate from negative to positive.

- Extremely negative (1)
- Somewhat negative (2)
- Neither positive nor negative (3)
- Somewhat positive (4)
- Extremely positive (5)

Q20 What gender do you identify yourself with?

- Male (1)

- Female (2)
- Non-binary / third gender (3)
- Prefer not to say (4)

Q21 To what age group do you belong?

- 18-25 (1)
- 26-30 (2)
- 31-35 (3)
- 36-40 (4)
- 41-45 (5)
- 46-50 (6)
- 51-60 (7)
- 61 + (8)

Q22 What is your current professional status?

- Student – unemployed (1)
- Student – part time employed (2)
- Student – full time employed (3)
- Unemployed (4)
- Full time employee (5)
- Part time employee (6)
- Retired (7)
- Other (8)

Q23 Do you have a higher education?

- Bachelor's degree (1)
- Master's degree (2)
- PhD (3)
- Other (4)
- No (5)

Appendix 2: Custom Tables - Brand Image

Custom Tables

If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate from negative to positive. – Brand image (Brand image is the perception of the brand in the mind of the customer)

Extremely negative effect Count	Somewhat negative effect Count	Neither positive nor negative effect Count	Somewhat positive effect Count	Extremely positive effect Count
6	23	21	42	8

Custom Tables

If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate from negative to positive. – Attribute uniqueness (Uniqueness is the extent to which the brand is rare and exclusive)

Extremely negative effect Count	Somewhat negative effect Count	Neither positive nor negative effect Count	Somewhat positive effect Count	Extremely positive effect Count
6	21	36	34	4

→ Custom Tables

If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate from negative to positive. – Attribute exclusivity (Exclusivity is defined as a state of being limited or hard to access)

Extremely negative effect Count	Somewhat negative effect Count	Neither positive nor negative effect Count	Somewhat positive effect Count	Extremely positive effect Count
7	31	25	30	6

Custom Tables

Please rate your agreement with the following statement:
If a luxury brand uses social media to post photos and stories (brand storytelling), not to promote sales, but to promote brand identity, this could have a positive influence on your attitude towards the luxury brand

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
1	8	17	40	35

Custom Tables

Please rate your agreement with the following statement:
If a luxury brand uses social media as a digital magazine to increase brand reputation, this could have a positive impact on your attitude towards the luxury brand

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
1	4	26	41	29

→ Custom Tables

Please rate your agreement with the following statement:
If a luxury brand uses social media to share heritage/history about the brand. This could have a positive impact on your attitude towards the luxury brand

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
1	6	14	52	28

Appendix 3: Custom Tables - Digitalization of luxury brands

Custom Tables

Please rate your agreement with the following statement:
If a luxury brand uses social media to post photos and stories (brand storytelling), not to promote sales, but to promote brand identity, this could have a positive influence on your attitude towards the luxury brand

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
1	8	17	40	35

Custom Tables

Please rate your agreement with the following statement:
If a luxury brand uses social media as a digital magazine to increase brand reputation, this could have a positive impact on your attitude towards the luxury brand

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
1	4	26	41	29

➔ Custom Tables

Please rate your agreement with the following statement:
If a luxury brand uses social media to share heritage/history about the brand. This could have a positive impact on your attitude towards the luxury brand

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
1	6	14	52	28

Appendix 4: Custom Tables - Social Media

Custom Tables

Please rate your agreement with the following statement:
Uniqueness of luxury brands disappears with use of social media.

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
17	33	26	22	3

Custom Tables

Please rate your agreement with the following statement:
Exclusivity disappears with use of social media.

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
19	34	25	20	3

➔ Custom Tables

Please rate your agreement with the following statement:
Rarity disappears with the use of social media.

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
18	25	23	31	4

Appendix 5: Custom Tables - Influencers

Custom Tables

The use of influencers in digital marketing to increase brand reputation could have a positive or negative impact on your attitude towards the luxury brand. Please rate from negative to positive.

Extremely negative Count	Somewhat negative Count	Neither positive nor negative Count	Somewhat positive Count	Extremely positive Count
10	23	27	38	3

➔ Custom Tables

The use of influencers in digital marketing to promote sales could have a positive or negative impact on your attitude towards the luxury brand. Please rate from negative to positive.

Extremely negative Count	Somewhat negative Count	Neither positive nor negative Count	Somewhat positive Count	Extremely positive Count
11	27	28	35	0

Appendix 6: Custom Tables - Digital Customer Journey

Custom Tables

Please rate your agreement with the following statement:
Luxury brands lose one or more of their attributes when they can be purchased online.

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
20	22	28	28	3

Custom Tables

Please rate your agreement with the following statement:
Luxury brands being available online adds additional value to the brand.

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
6	21	44	21	9

Custom Tables

Please rate your agreement with the following statement:
I prefer to buy more expensive products physically in store rather than online.

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
3	12	17	39	30

→ Custom Tables

Please rate your agreement with the following statement:
Luxury brands lose brand value when the products become too available to everyone online.

Strongly disagree Count	Somewhat disagree Count	Neither agree nor disagree Count	Somewhat agree Count	Strongly agree Count
8	16	23	39	15

Appendix 7: Means - Brand Image

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Variance
If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate from negative to positive. - Brand image (Brand image is the perception of the brand in the mind of the customer)	100	2	6	4.23	1.081	1.169
If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate from negative to positive. - Attribute uniqueness (Uniqueness is the extent to which the brand is rare and exclusive)	101	2	6	4.09	.971	.942
If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate from negative to positive. - Attribute exclusivity (Exclusivity is defined as a state of being limited or hard to access)	99	2	6	3.97	1.073	1.152
Valid N (listwise)	98					

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Please rate your agreement with the following statement: If a luxury brand uses social media to post photos and stories (brand storytelling), not to promote sales, but to promote brand identity, this could have a positive influence on your attitude towards the luxury brand	101	1	5	3.99	.964	.930
Please rate your agreement with the following statement: If a luxury brand uses social media as a digital magazine to increase brand reputation, this could have a positive impact on your attitude towards the luxury brand	101	1	5	3.92	.891	.794
Please rate your agreement with the following statement: If a luxury brand uses social media to share heritage/history about the brand. This could have a positive impact on your attitude towards the luxury brand	101	1	5	3.99	.866	.750
Valid N (listwise)	101					

Appendix 8: Means - Digitalization of Luxury Brands

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Please rate your agreement with the following statement: If a luxury brand uses social media to post photos and stories (brand storytelling), not to promote sales, but to promote brand identity, this could have a positive influence on your attitude towards the luxury brand	101	1	5	3.99	.964	.930
Please rate your agreement with the following statement: If a luxury brand uses social media as a digital magazine to increase brand reputation, this could have a positive impact on your attitude towards the luxury brand	101	1	5	3.92	.891	.794
Please rate your agreement with the following statement: If a luxury brand uses social media to share heritage/history about the brand. This could have a positive impact on your attitude towards the luxury brand	101	1	5	3.99	.866	.750
Valid N (listwise)	101					

Appendix 9: Means - Social Media

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Please rate your agreement with the following statement: Uniqueness of luxury brands disappears with use of social media.	101	1	5	2.61	1.095	1.199
Please rate your agreement with the following statement: Exclusivity disappears with use of social media.	101	1	5	2.54	1.100	1.210
Please rate your agreement with the following statement: Rarity disappears with the use of social media.	101	1	5	2.78	1.180	1.392
Valid N (listwise)	101					

Appendix 10: Means - Influencers

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
The use of influencers in digital marketing to increase brand reputation could have a positive or negative impact on your attitude towards the luxury brand. Please rate from negative to positive.	101	1	5	3.01	1.063	1.130
The use of influencers in digital marketing to promote sales could have a positive or negative impact on your attitude towards the luxury brand. Please rate from negative to positive.	101	1	4	2.86	1.020	1.041
Valid N (listwise)	101					

Appendix 11: Means - The Digital Customer Journey

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Please rate your agreement with the following statement: Luxury brands lose one or more of their attributes when they can be purchased online.	101	1	5	2.72	1.159	1.342
Please rate your agreement with the following statement: Luxury brands being available online adds additional value to the brand.	101	1	5	3.06	1.008	1.016
Please rate your agreement with the following statement: Luxury brands lose brand value when the products become too available to everyone online.	101	1	5	3.37	1.155	1.334
Please rate your agreement with the following statement: I prefer to buy more expensive products physically in store rather than online.	101	1	5	3.80	1.086	1.180
Valid N (listwise)	101					

Appendix 12: Confidence Interval - Brand Image

Descriptives

		Statistic	Std. Error	
If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate from negative to positive. – Brand image (Brand image is the perception of the brand in the mind of the customer)	Mean	4.20	.109	
	95% Confidence Interval for Mean	Lower Bound	3.99	
		Upper Bound	4.42	
	5% Trimmed Mean	4.23		
	Median	4.00		
	Variance	1.154		
	Std. Deviation	1.074		
	Minimum	2		
	Maximum	6		
	Range	4		
	Interquartile Range	2		
	Skewness	-.368	.244	
	Kurtosis	-.795	.483	
	If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate from negative to positive. – Attribute uniqueness (Uniqueness is the extent to which the brand is rare and exclusive)	Mean	4.10	.099
95% Confidence Interval for Mean		Lower Bound	3.91	
		Upper Bound	4.30	
5% Trimmed Mean		4.12		
Median		4.00		
Variance		.959		
Std. Deviation		.979		
Minimum		2		
Maximum		6		
Range		4		
Interquartile Range		2		
Skewness		-.343	.244	
Kurtosis		-.461	.483	
If a luxury brand uses sales promotion in social media this could have positive or negative effect. Please rate from negative to positive. – Attribute exclusivity (Exclusivity is defined as a state of being limited or hard to access)		Mean	3.98	.109
	95% Confidence Interval for Mean	Lower Bound	3.76	
		Upper Bound	4.19	
	5% Trimmed Mean	3.98		
	Median	4.00		
	Variance	1.154		
	Std. Deviation	1.074		
	Minimum	2		
	Maximum	6		
	Range	4		
	Interquartile Range	2		
	Skewness	-.010	.244	
	Kurtosis	-.892	.483	

Descriptives

		Statistic	Std. Error	
Please rate your agreement with the following statement: If a luxury brand uses social media to post photos and stories (brand storytelling), not to promote sales, but to promote brand identity, this could have a positive influence on your attitude towards the luxury brand	Mean	3.99	.096	
	95% Confidence Interval for Mean	Lower Bound	3.80	
		Upper Bound	4.18	
	5% Trimmed Mean	4.06		
	Median	4.00		
	Variance	.930		
	Std. Deviation	.964		
	Minimum	1		
	Maximum	5		
	Range	4		
	Interquartile Range	2		
	Skewness	-.799	.240	
	Kurtosis	.078	.476	
	Please rate your agreement with the following statement: If a luxury brand uses social media as a digital magazine to increase brand reputation, this could have a positive impact on your attitude towards the luxury brand	Mean	3.92	.089
95% Confidence Interval for Mean		Lower Bound	3.74	
		Upper Bound	4.10	
5% Trimmed Mean		3.98		
Median		4.00		
Variance		.794		
Std. Deviation		.891		
Minimum		1		
Maximum		5		
Range		4		
Interquartile Range		2		
Skewness		-.535	.240	
Kurtosis		.031	.476	

Please rate your agreement with the following statement: If a luxury brand uses social media to share heritage/history about the brand. This could have a positive impact on your attitude towards the luxury brand	Mean	3.99	.086	
	95% Confidence Interval for Mean	Lower Bound	3.82	
		Upper Bound	4.16	
	5% Trimmed Mean	4.06		
	Median	4.00		
	Variance	.750		
	Std. Deviation	.866		
	Minimum	1		
	Maximum	5		
	Range	4		
	Interquartile Range	1		
	Skewness	-.923	.240	
	Kurtosis	.998	.476	

Appendix 13: Confidence Interval - Digitalization of Luxury Brands

Descriptives

		Statistic	Std. Error	
Please rate your agreement with the following statement: If a luxury brand uses social media to post photos and stories (brand storytelling), not to promote sales, but to promote brand identity, this could have a positive influence on your attitude towards the luxury brand	Mean	3.99	.096	
	95% Confidence Interval for Mean	Lower Bound	3.80	
		Upper Bound	4.18	
	5% Trimmed Mean	4.06		
	Median	4.00		
	Variance	.930		
	Std. Deviation	.964		
	Minimum	1		
	Maximum	5		
	Range	4		
	Interquartile Range	2		
	Skewness	-.799	.240	
	Kurtosis	.078	.476	
	Please rate your agreement with the following statement: If a luxury brand uses social media as a digital magazine to increase brand reputation, this could have a positive impact on your attitude towards the luxury brand	Mean	3.92	.089
95% Confidence Interval for Mean		Lower Bound	3.74	
		Upper Bound	4.10	
5% Trimmed Mean		3.98		
Median		4.00		
Variance		.794		
Std. Deviation		.891		
Minimum		1		
Maximum		5		
Range		4		
Interquartile Range		2		
Skewness		-.535	.240	
Kurtosis		.031	.476	

Please rate your agreement with the following statement: If a luxury brand uses social media to share heritage/history about the brand. This could have a positive impact on your attitude towards the luxury brand	Mean	3.99	.086	
	95% Confidence Interval for Mean	Lower Bound	3.82	
		Upper Bound	4.16	
	5% Trimmed Mean	4.06		
	Median	4.00		
	Variance	.750		
	Std. Deviation	.866		
	Minimum	1		
	Maximum	5		
	Range	4		
	Interquartile Range	1		
	Skewness	-.923	.240	
	Kurtosis	.998	.476	

Appendix 14: Confidence Interval - Social Media

Descriptives

		Statistic	Std. Error	
Please rate your agreement with the following statement: Uniqueness of luxury brands disappears with use of social media.	Mean	2.61	.109	
	95% Confidence Interval for Mean	Lower Bound	2.40	
		Upper Bound	2.83	
	5% Trimmed Mean	2.59		
	Median	3.00		
	Variance	1.199		
	Std. Deviation	1.095		
	Minimum	1		
	Maximum	5		
	Range	4		
	Interquartile Range	2		
	Skewness	.169	.240	
	Kurtosis	-.885	.476	
	Please rate your agreement with the following statement: Exclusivity disappears with use of social media.	Mean	2.54	.109
95% Confidence Interval for Mean		Lower Bound	2.33	
		Upper Bound	2.76	
5% Trimmed Mean		2.52		
Median		2.00		
Variance		1.210		
Std. Deviation		1.100		
Minimum		1		
Maximum		5		
Range		4		
Interquartile Range		1		
Skewness		.252	.240	
Kurtosis		-.838	.476	

Please rate your agreement with the following statement: Rarity disappears with the use of social media.	Mean	2.78	.117	
	95% Confidence Interval for Mean	Lower Bound	2.55	
		Upper Bound	3.02	
	5% Trimmed Mean	2.77		
	Median	3.00		
	Variance	1.392		
	Std. Deviation	1.180		
	Minimum	1		
	Maximum	5		
	Range	4		
	Interquartile Range	2		
	Skewness	-.087	.240	
	Kurtosis	-1.142	.476	

Appendix 15: Confidence Interval - Influencers

Descriptives

		Statistic	Std. Error	
The use of influencers in digital marketing to increase brand reputation could have a positive or negative impact on your attitude towards the luxury brand. Please rate from negative to positive.	Mean	3.01	.106	
	95% Confidence Interval for Mean	Lower Bound	2.80	
		Upper Bound	3.22	
	5% Trimmed Mean	3.03		
	Median	3.00		
	Variance	1.130		
	Std. Deviation	1.063		
	Minimum	1		
	Maximum	5		
	Range	4		
	Interquartile Range	2		
	Skewness	-.377	.240	
	Kurtosis	-.841	.476	
	The use of influencers in digital marketing to promote sales could have a positive or negative impact on your attitude towards the luxury brand. Please rate from negative to positive.	Mean	2.86	.102
95% Confidence Interval for Mean		Lower Bound	2.66	
		Upper Bound	3.06	
5% Trimmed Mean		2.90		
Median		3.00		
Variance		1.041		
Std. Deviation		1.020		
Minimum		1		
Maximum		4		
Range		3		
Interquartile Range		2		
Skewness		-.350	.240	
Kurtosis		-1.075	.476	

Appendix 16: Confidence Interval - Digital Customer Journey

Descriptives

		Statistic	Std. Error	
Please rate your agreement with the following statement: Luxury brands lose one or more of their attributes when they can be purchased online.	Mean	2.72	.115	
	95% Confidence Interval for Mean	Lower Bound	2.49	
		Upper Bound	2.95	
	5% Trimmed Mean	2.71		
	Median	3.00		
	Variance	1.342		
	Std. Deviation	1.159		
	Minimum	1		
	Maximum	5		
	Range	4		
	Interquartile Range	2		
	Skewness	-.106	.240	
	Kurtosis	-1.103	.476	
	Please rate your agreement with the following statement: Luxury brands being available online adds additional value to the brand.	Mean	3.06	.100
95% Confidence Interval for Mean		Lower Bound	2.86	
		Upper Bound	3.26	
5% Trimmed Mean		3.07		
Median		3.00		
Variance		1.016		
Std. Deviation		1.008		
Minimum		1		
Maximum		5		
Range		4		
Interquartile Range		2		
Skewness		.058	.240	
Kurtosis		-.230	.476	

Please rate your agreement with the following statement: I prefer to buy more expensive products physically in store rather than online.	Mean		3.80	.108
	95% Confidence Interval for Mean	Lower Bound	3.59	
		Upper Bound	4.02	
	5% Trimmed Mean		3.87	
	Median		4.00	
	Variance		1.180	
	Std. Deviation		1.086	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-.741	.240
	Kurtosis		-.194	.476
	Please rate your agreement with the following statement: Luxury brands lose brand value when the products become too available to everyone online.	Mean		3.37
95% Confidence Interval for Mean		Lower Bound	3.14	
		Upper Bound	3.59	
5% Trimmed Mean			3.41	
Median			4.00	
Variance			1.334	
Std. Deviation			1.155	
Minimum			1	
Maximum			5	
Range			4	
Interquartile Range			1	
Skewness			-.481	.240
Kurtosis			-.587	.476

Appendix 17: Mean - Age

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
To what age group do you belong?	101	1	8	3.94	2.622	6.876
Valid N (listwise)	101					

Appendix 18: Mean - Attributes

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Which of the following attributes do you associate with luxury brands? – Uniqueness	99	1	5	3.74	1.055	1.114
Which of the following attributes do you associate with luxury brands? – Quality	101	2	5	4.13	.716	.513
Which of the following attributes do you associate with luxury brands? – Status	99	1	5	3.84	.966	.933
Which of the following attributes do you associate with luxury brands? – Price	99	2	5	4.19	.911	.830
Which of the following attributes do you associate with luxury brands? – Functionality	100	1	5	3.46	.915	.837
Which of the following attributes do you associate with luxury brands? – Design	100	1	5	4.24	.780	.608
Which of the following attributes do you associate with luxury brands? – History of the brand and heritage	100	1	5	3.89	.973	.947

Which of the following attributes do you associate with luxury brands? – Rarity	100	1	5	3.66	1.066	1.136
Which of the following attributes do you associate with luxury brands? – High level of customer service	100	1	5	3.74	.906	.821
Which of the following attributes do you associate with luxury brands? – Recognizable label/logo	100	1	5	3.88	1.057	1.117
Which of the following attributes do you associate with luxury brands? – Exclusivity	100	1	5	4.08	.929	.862
Valid N (listwise)	98					

Appendix 19: Confidence Interval - Attributes

			Statistic	Std. Error
Which of the following attributes do you associate with luxury brands? – Uniqueness	Mean		3.74	.107
	95% Confidence Interval for Mean	Lower Bound	3.53	
		Upper Bound	3.96	
	5% Trimmed Mean		3.82	
	Median		4.00	
	Variance		1.120	
	Std. Deviation		1.058	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-.855	.244
	Kurtosis		.246	.483
	Which of the following attributes do you associate with luxury brands? – Quality	Mean		4.14
95% Confidence Interval for Mean		Lower Bound	4.00	
		Upper Bound	4.29	
5% Trimmed Mean			4.18	
Median			4.00	
Variance			.515	
Std. Deviation			.718	
Minimum			2	
Maximum			5	
Range			3	
Interquartile Range			1	
Skewness			-.561	.244
Kurtosis			.253	.483

Which of the following attributes do you associate with luxury brands? – Status	Mean		3.85	.098
	95% Confidence Interval for Mean	Lower Bound	3.65	
		Upper Bound	4.04	
	5% Trimmed Mean		3.91	
	Median		4.00	
	Variance		.935	
	Std. Deviation		.967	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-.873	.244
	Kurtosis		.496	.483
	Which of the following attributes do you associate with luxury brands? – Price	Mean		4.19
95% Confidence Interval for Mean		Lower Bound	4.01	
		Upper Bound	4.38	
5% Trimmed Mean			4.27	
Median			4.00	
Variance			.838	
Std. Deviation			.916	
Minimum			2	
Maximum			5	
Range			3	
Interquartile Range			1	
Skewness			-.809	.244
Kurtosis			-.406	.483

Which of the following attributes do you associate with luxury brands? – Functionality	Mean		3.46	.093
	95% Confidence Interval for Mean	Lower Bound	3.27	
		Upper Bound	3.64	
	5% Trimmed Mean		3.47	
	Median		3.50	
	Variance		.849	
	Std. Deviation		.921	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-.160	.244
	Kurtosis		-.472	.483
	Which of the following attributes do you associate with luxury brands? – Design	Mean		4.24
95% Confidence Interval for Mean		Lower Bound	4.09	
		Upper Bound	4.40	
5% Trimmed Mean			4.32	
Median			4.00	
Variance			.620	
Std. Deviation			.787	
Minimum			1	
Maximum			5	
Range			4	
Interquartile Range			1	
Skewness			-1.242	.244
Kurtosis			2.513	.483

Which of the following attributes do you associate with luxury brands? – History of the brand and heritage	Mean		3.89	.099
	95% Confidence Interval for Mean	Lower Bound	3.69	
		Upper Bound	4.08	
	5% Trimmed Mean		3.96	
	Median		4.00	
	Variance		.967	
	Std. Deviation		.983	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-.900	.244
	Kurtosis		.748	.483
	Which of the following attributes do you associate with luxury brands? – Rarity	Mean		3.67
95% Confidence Interval for Mean		Lower Bound	3.46	
		Upper Bound	3.89	
5% Trimmed Mean			3.75	
Median			4.00	
Variance			1.129	
Std. Deviation			1.063	
Minimum			1	
Maximum			5	
Range			4	
Interquartile Range			1	
Skewness			-.835	.244
Kurtosis			.485	.483

Which of the following attributes do you associate with luxury brands? – Exclusivity	Mean		4.09	.094
	95% Confidence Interval for Mean	Lower Bound	3.91	
		Upper Bound	4.28	
	5% Trimmed Mean		4.20	
	Median		4.00	
	Variance		.868	
	Std. Deviation		.932	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-1.514	.244
	Kurtosis		3.072	.483

Which of the following attributes do you associate with luxury brands? – High level of customer service	Mean		3.74	.092
	95% Confidence Interval for Mean	Lower Bound	3.56	
		Upper Bound	3.93	
	5% Trimmed Mean		3.79	
	Median		4.00	
	Variance		.831	
	Std. Deviation		.912	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-.551	.244
	Kurtosis		.376	.483
	Which of the following attributes do you associate with luxury brands? – Recognizable label/logo	Mean		3.88
95% Confidence Interval for Mean		Lower Bound	3.66	
		Upper Bound	4.09	
5% Trimmed Mean			3.96	
Median			4.00	
Variance			1.139	
Std. Deviation			1.067	
Minimum			1	
Maximum			5	
Range			4	
Interquartile Range			2	
Skewness			-.945	.244
Kurtosis			.457	.483

Appendix 20: Mean - Been influenced

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Have you bought a luxury product because you saw an influencer use/promote it?	101	1	5	2.60	1.357	1.842
Valid N (listwise)	101					

Appendix 21: Confidence Interval - Been influenced

			Statistic	Std. Error
Have you bought a luxury product because you saw an influencer use/promote it?	Mean		2.60	.135
	95% Confidence Interval for Mean	Lower Bound	2.34	
		Upper Bound	2.87	
	5% Trimmed Mean		2.56	
	Median		2.00	
	Variance		1.842	
	Std. Deviation		1.357	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		3	
	Skewness		.168	.240
	Kurtosis		-1.385	.476