



Building a Luxury Brand Image in a Digital World

Luxury managers often see digital media as a threat, worrying that mass appeal will take power away from the brand. But digital channels offer powerful connections with customers and closer integration with their ecosystems.

“Hermès has no desire to become “masstige” (a mass producer of prestige goods) said the company’s CEO Patrick Thomas in 2009, despite two-year waiting lists for its famous Birkin or Kelly handbags at the time. The luxury brand maintained that it did not want to dilute the brand image and compromise on quality in the interest of short-term profits.

Such a dilemma is par for the course in luxury and is also applicable to the digital presence of the companies in the industry: How to maintain demand and a big customer base while remaining exclusive? This is all the more important as digital channels “expose” brands regardless of whether they want to or not, through the hundreds of thousands of press articles, comments and pictures that are posted daily about luxury brands. As I have written about in a **previous post**, if brands do not embrace digital media, they risk being shut out of conversations about their products.

Hermès has resisted selling any of its “core”, highly sought-after collections online, and the company emphasises that its brand website is more of a channel for consumers to explore the world of Hermès, from its seasonal inspiration, to its heritage, art and museum collaborations and exhibitions. The same is seen on the company’s **Facebook page**.

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Hermès has also embraced the mobile app channel but only with their Silk Knots app that educates consumers on how to vary their scarf tying techniques.

Since digital attracts a much younger demographic not necessarily seen in physical stores yet, educating customers and other stakeholders about the brand’s DNA and what it seeks to represent is central to building the future generation of customers whose spending power will increase with age. Such approaches also entice them to the exclusivity of the store. To successfully engage people on digital channels while maintaining “distance” from the mass market, brands must answer two key questions: first, how to coordinate offline and online efforts to offer the best multichannel experience? And second, how to build an exclusive image online?

How to marry bricks and clicks?

Luxury and fashion brands built their brand promise through a unique in-store environment and intimate personalised service that they can hardly transfer to the online world. So how should luxury brands marry bricks with clicks? Critics within the industry are often opposed to bringing clicks to bricks, arguing that the former endangers the later by

cannibalising sales and potentially threatening the brand image by making the brand more accessible through online channels and social media.

While these dangers exist, deserting digital media would be even more problematic and would leave room for rivals to build awareness and competition, and prevent the brand from actively engaging with customers and responding to critics. In fact, brands that have been very successful so far have focused on maximising the synergies and complementarities with physical stores. For instance, multi label boutiques like Lane Crawford and Neiman Marcus that have long started their e-commerce sites, do encourage and enable customers to pick up their e-purchases in store, or visit a store for exchanges or refunds. It is a way to drive double footfall and traffic both online and offline. The key differentiating factor of luxury brands is and will remain the store experience and customer service, hence many luxury brands feel that a consumer needs to ultimately walk into a store to experience this, in order to gain “true” customer loyalty in the long-term. In sum, digital engagement should be seen as a way to leverage an additional consumer touch point, rather than jeopardising existing sales.

Second, inherent to the notion of luxury is that it supposes to create a distance between the brand and its customers to create the dream. But this is in direct contradiction to the notion that social media and digital channels connect people with one another and lower the barriers to entry.

How to build a prestigious image?

The power of image relates to how a brand can increase its brand awareness and value by embracing and leveraging different digital channels to reach consumers. It is further complicated when different consumer groups choose different digital channels. Between Facebook, Twitter, Instagram and blogs, certain brands have compartmentalised their reach differently. This gives consumers the choice of which platform to be engaged with depending on which resonates most strongly with their lifestyle and desires, and also gives the opportunity for brands to intelligently use browsing data in order to more effectively target specific demographics.

The **Burberry Facebook page** for example, is very product driven, and lists many smaller accessory pick up items like wallets, clutches, sunglasses, versus their higher end exotic lines. It also features more of the brand’s music influences, which is not seen on its **Twitter** and **Instagram accounts**. The company’s Instagram account is much more “backstage” driven, with scenes of London; behind the scenes photo shoots; and live pictures from runway shows. This appeals to the slightly more

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visual and artistic customer who craves instant gratification from staying updated and plugged in real-time. The **Mulberry blog**, or journal is much more lifestyle-driven, and posts much less product, but more on styling influences, travel stories, events and even food recipes.

By giving people the opportunity to give their own representation of brands online, the digital revolution has led to much more fragmented, bottom-up, multifaceted brand building. In turn, this requires that luxury companies step up and strategically engage in image building with customers, and use digital platforms as a springboard for engagement and sales.

This is the first part of a three-part series on luxury in the digital world.



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