

SOCIAL MEDIA MARKETING AND LUXURY BRAND EVANGELISTS: A STUDY ON THE LUXURY BRAND MARKET IN INDIA

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ABSTRACT

Luxury has always been a sign of aristocracy with few buyers that are considered to belong to the richer section of the society and the marketing of luxury good is a very expert oriented task and needs extreme specificity. The study here would understand how the consumers of luxury products can be converted to brand evangelists using the social media marketing methods and help the brands gain a good market presence in the future. A total of 500 responses are collected from luxury product owners and are statistically analysed. The five elements of social media marketing namely Entertainment, Interaction, Trendiness, Customisation and Word-of-mouth are found to have significant impact on increasing the brand evangelism quotient among the luxury product consumers.

Keywords: Brand; Luxury; Evangelists; Social Media.

INTRODUCTION

Luxury has always been a sign of aristocracy with few buyers that are considered to belong to the richer section of the society (Chandon et al., 2016). The exclusivity and authenticity of the luxury good has made it a traditional marker to differentiate between upper class from ordinary people due to its unavailability to the masses (Zhang & Kim, 2013). Thus, the marketing of luxury good is a very expert oriented task and needs extreme specificity. However, the blurring line between social classes and increased availability of options within the luxury market has challenges the long-established concept of luxury and had demanded for redefinition of luxury marketing in the new competitive era. (Eckhardt et al., 2015). Along with these factors, another determinant that had brought about revolutionary changes in the luxury market is the advent of web 2.0 which has proved its effectiveness over traditional marketing by shifting the brand centered marketing approach to consumer centered marketing approach. With the world going more and more digital, the marketing has shifted to digital platforms like social media, social networking sites etc. Luxury market has been a bit slower in adapting this change due to the fear of diluted brand prestige, but some luxury brands in response to dropping sales and growing competition; have moved an extra inch by incorporating social media into their overall marketing strategies especially through more influential communication channel like social media. (Kim & Ko, 2010; Chu et al., 2013; Holmqvist et al. 2020).

Goods in the luxury market is those embedding intangible factors and imparting emotional values and thus are about pleasure and satisfaction of the senses (Festiger, 1957; Rossiter & Percy, 1997; Beraden & Etzel, 1982; Arnould & Thompson, 2005; Bliege et al., 2005; Okonkwo, 2010; Bian & Forsythe, 2012;). Thus, the value of luxury market and its growth rates are outperforming general market trends (O'cass & McEwen, 2004; Randhawa et al. 2015; Pantano et al. 2018). Luxury industry had always was a peculiar one to research due to several folds of differences between ordinary market and also due to its variable pattern of responses to influences of external environment and the evolving society. The

luxury market due to these reasons has been a cumbersome topic for the marketers to handle as the general marketing rules or managerial strategies applicable for the ordinary brand cannot be followed here. It has always been a challenge for the luxury market managers to recognize and accordingly satisfy the needs of customers that are influenced by new trends and behaviors. It has often been noticed that as the market gained maturity, brands often drift away from its origin in order to gain extra profit and remain in the race but with luxury brands it is very important to stick to their concept of originality and exclusivity so that they maintain their brand image (Franke & Schreider, 2010; Ghosh & Varshney, 2013; Thomas, 2007). However nowadays, luxury brands are often getting diluted in the delusional market for making themselves easily accessible. Other than this many pseudo-luxury brands have also marked their presence in the market by adapting to a peculiar marketing strategy of positioning themselves as luxurious, communicating a feeling that goes beyond the mere scarce availability and by highlighting the high-quality attributes of their products (Feric, 2014; Fisch & Block, 2018). Thus, the luxury market has been contaminated by many factors that have increased the competition for the real luxury brands to stay grounded as well as to fit in the competitive scenario.

The study would like to extend the concept of social media marketing in terms of the luxury products which can be referred to as a special case of marketing as compared to the affordable range of consumer goods. It is important that the consumers feel a sense of belongingness towards the luxury brands in order to be a frequent buyer. It is required for them to achieve the highest level of consumer loyalty which can be termed as brand evangelism. The study here would understand how the consumers of luxury products can be converted to brand evangelists using the social media marketing methods and help the brands gain a good market presence in the future.

The study attempts to investigate more on the following research questions as a part of the study-

RQ1: Can brand evangelism be attained from social media marketing techniques implemented for luxury brands?

REVIEW OF LITERATURE

Factors affecting Luxury Brand Marketing

Being a specific and very sensitive field, the researchers in this discipline has explored many factors that influence the marketing of luxury brands. Some of the streams of research in luxury brand marketing that been considered as that of highest attention for the marketers to designed and develop luxury brand in market are given below:

Luxury Value

Kerviler & Rodriguez (2019) examined the impact of experience on the variables of the quality of relationship along with the consumer-brand identification method gained using self-expansion. A total of 264 Millennials are made use of for the study. The research indicated that broadening their sense of selves is one of the key motive behind consumers' motivations to buy a luxury product. Luxury brands provide opportunities to enlarge an individual's perspective and self-content other than conspicuous or hedonic benefits. The authors have also suggested that this can also cause some moral criticism of luxury consumption. Gentina, Shrum, and Lowrey (2016) have tried to examine the possible cultural differences existing between the teens residing in the US and France. It has been established

that the requirement to have uniqueness in order to be able to influence is related positively to that of the formed attitudes towards the luxury brands for both groups. However, it is also to be stated that the role played by uniqueness is much stronger in case of the luxury brand attitude existing among the US teens and the factor of susceptibility is effectively influencing French teens. Gil et al. (2012) examined the difference in luxury perceptions of teens residing in Brazil from rest of the population by conduction survey of 558 teenagers between the ages of 12 and 19. The results have shown the importance of materialistic aspects to be the most essential key for driving teenagers towards luxury consumption and they have distinct motives for desiring luxury. The authors also suggested that while targeting teens, marketing must majorly focus on understanding the requirements for a more materialistic as well as having a status-oriented consumption of luxury brands. Shukla and Purani (2012) examined the intention to purchase the luxury goods and the centrality of value perceptions using a survey based in India and also in the U.K. The authors reported that there was a considerable difference in luxury brand consumption in both the nations. Indians are more dependent on symbolic values and cost values whereas consumers in U.K. give consideration mostly to self-directed values and the utilitarian values that could be used for development of their luxury perceptions. Kastanakis and Balabanis (2012) examined the influence of psychological factors related to its consumption patter on the bandwagon luxury consumption by conducting a survey of the consumers for the same based in U.K. itself. The authors indicate uniqueness and rarity are major driving force for consumption of luxury products understanding this is helping brands to mass-market luxury items in recent times. The results reports that there is a positive influence of strong interdependent self-concept, desire to show status via consumption and high consumer levels in regards to susceptibility to interpersonal to bandwagon behavior.

Luxury Consumer Behavior

Shahid & Farooqi (2019) conducted a study to understand the consumers' buying behavior in terms of Indian luxury products while examining the mediating role of brand attachment. There was a survey conducted on of real-time luxury consumers based on three categories: Footwear, Apparels, and Handbag. On applying structural equation modelling, the findings reported that there is a positive influence of brand attitude on functional, social and personal values in turn imparts a positive influence on purchase intention thereby positively influencing actual purchase consumption. Bachmann et al. 2018 empirically examined an extended conceptual model based on the owner-based luxury value through an existing second-order conceptualization of luxury value. There are a total of 452 actual owners of three luxury brands namely Prada, Cartier and Louis Vuitton are considered in the study. A potent driver to attitudinal outcomes and customers' value perceptions through targeted marketing and effective communication is suggested. Wang and Griskevicius (2014) examined the utilities for which women purchase luxury products by using an evolutionary psychology perspective. The authors after a series of experiment revealed that for women luxury products are meant to showcase other women that their partners are highly devoted to them, whereas in case of men it's a positive sign of wealth and success. The results also indicated that a woman showing off their luxury brands does promote other women to buy the same product. McFerran, Aquino, and Tracy (2014) examined the influence of two different aspects of pride on consumer behavior related to that of luxury goods by investigating pride as a potential factor for purchasing luxury brands. The two prides that are considered here are hubristic pride that is related to narcissism, aggression and hostility while authentic pride that is generated from hard work and success. Based on several experiments,

it was reported by the authors that out of the two, authentic pride is found to be a stronger motivator of luxury purchases among the two.

The above literature shows the number of studies focusing on luxury products and the behaviour of consumer attached with it. These studies have been conducted across different countries in the world. However, the research here would focus on a developing market which have managed to gain good social media users in the present times – India. The study about these respondents can help in finding out a number of interesting results and identify how social media can result in luxury brand evangelists.

RESEARCH METHODOLOGY

The study is empirical in nature and follows a quantitative approach to arrive at the required results of the study. There are primary sources of data being collected which will be analysed using statistical tools in the study. The study involves collecting data from 500 respondents who are selected based on non-probabilistic sampling method. Judgment sampling with the criteria of the respondent being an owner of a luxury product would be selected. The collected data would be analysed using principal component analysis followed by multiple linear regression.

Data Analysis

The data collected will be analysed using the SPSS software and are presented below. The demographic concentration of the respondents.

Gender forms an important attribute of shopping and it has been found here that 93% of the respondents are women. This particular consideration is in line with the fact that majority of the consumers for luxury brands especially in fashion are women.

It is interesting to note that the majority of the age group among the respondents are 25 to 34 years of age followed by those belonging to 18-24 years. This reflects quite clearly on the fact that the consumers of the luxury brand market are mostly the younger section of the society.

Considering the education level of these luxury item buyers in the market, it is found that majority of the buyers i.e., 47% of them have professional degrees as their qualification followed by post graduate degrees. As education level can be associated with a number of characteristics of the individual, the majority of respondents falling in the professional degree shows how there seems to be a relationship between the two.

The next closely related demographic with that of education level is the occupation of the respondent. It is seen that majority of the respondents purchasing luxury items have a professional career. This means that they are employed in some kind of service as compared to the 40% who are involved in their own business.

The last demographic which can be considered the most important one is the income level of the respondents. As luxury items involves a very high amount with it, the income level of the respondents form the most important consideration when deciding to buy a luxury item. Here, it is seen that the majority of the respondents have a per annum income of 10,00,000 to 15,00,000 followed by the range of 5,00,000 to 10,00,000. It is interesting to note that the highest bracket of income constitute the least number of respondents.

From this particular section, a clear idea about the demographics of the respondents have been provided. Now, in the next section an analysis of the other preliminary questions would be put forward.

The very first objective in the study is to identify the main elements from the social marketing domain that helps in the process of marketing the luxury brands. In order to understand the same, the questions being asked in the questionnaire would be analysed using confirmatory factor analysis to arrive at the factors that can be extracted.

A total of 15 items in the questionnaire have been put forward to understand about the social media elements that would help in the marketing of the luxury brands. The table below represents the descriptive statistics about the 18 questions. There are 500 responses recorded across each of the 15 items and the mean scores and the highest mean score recorded is 4.89 against the lowest score of 2.94

In the next stage, in order to identify the number of factors that can be extracted out of the 15 items mentioned in the above list, principal component analysis (PCA) is conducted. The PCA would help in identifying a group of factors corresponding to the list and with the help of Kaiser-Meyer-Olkin test and Bartlett's test, the sample adequacy for the same can be laid down. Below are the results of the tests conducted.

It has been established in the previous literature that the KMO value for the overall factors must be above 0.7 along with the Bartlett's test generating a significant p-value to attain sampling adequacy (Hair et al., 2006). From the above tables it is found that both the criteria are attained in this case and the study can be further continued with the datasets.

The PCA conducted includes the varimax rotation which ensures that the factor loadings corresponding to each of the items are maximised. It has been found that factor loadings of more than 0.4 in case of a large sample size can be considered acceptable (Hair et al., 2006), here all the items are found to be significantly contributing towards a factor. There are a total of five factors extracted from the eighteen items where three factors correspond to one item. These factors have an eigenvalue of more than 1. Now, based on the characteristics of these five factors they have been constructed into the following five elements of social media marketing in terms of marketing of luxury products.

The five elements of social media marketing that are being highlighted includes entertainment which refers to the levels to which a respondents enjoys the luxury brand's content on social media, interaction refers to the ability to interact on social media with the luxury brands accounts, trendiness is related to the up to date content being made available through the platform, the customisation aspect is related to the provision of customisation services through the social media platforms and lastly, word-of-mouth promotion in these platforms associated with luxury brands. These are the five components being identified as essential elements of social media marketing in case of luxury brands.

As the PCA conducted refers to the six factors being extracted from the 15 items in the questionnaire, the same would be analysed using confirmatory factor analysis to establish its significance with respect to the mentioned dataset.

The above CFA tables show that the covariances among all the five elements are significant and the model fit indices show a fairly acceptable value. It can be seen from the above analysis that the first objective for the study has been successfully achieved.

In order to understand these five elements and its characteristics, the demographics of the respondents are being analysed using independent t-tests and One way ANOVA.

The mean score analysis conducted with respect to all the five demographic variables in the study have shown that for almost all the five elements of social media marketing in the luxury brands, there lies a significant mean score difference based on one or the other demographic variables considered.

While the elements of social media marketing are being established using the above statistical inferences, the dependent variable in the study which is brand evangelism will be analysed. The factor of brand evangelism has been measured using a total of 8 items in the questionnaire. There are two important components of brand evangelism has been selected

here which refers to brand advocacy and brand Defense. The tables below provide the descriptives about the above three components.

There are a total of five items with respect to brand defense and three components from brand advocacy. These have been adapted from the scales provided by (P. Becerra & Badrinarayanan, 2013) and exhibits the mean scores as high as 4.66. There is the lowest mean score observed at 2.77.

In the next stage, the study here would conduct a multiple linear regression to determine the relationship among the social media elements of luxury brand marketing on that of consumer brand evangelism.

The above regression analysis conducted shows that the model generated using the variables is statistically significant. The adjusted R^2 score ranges at 0.533 or 53.3% variance in the brand evangelism level with one unit change in the social media elements. This refers to the high level of impact caused by social media elements on the brand evangelism levels of the consumers of luxury products.

Findings

Social media forms an important part of the study here and the first objective have been dedicated to understanding the social media elements that can have an impact on the marketing of luxury products. Social media marketing has gained its popularity in the last few years due to the excess of social media among various parts of the world. Looking into the consumer concentration in a country like India it can be stated that there are many brands who have been able to reach out to different consumer segments based on social media marketing tools. However when it comes to luxury products the take on using social media as a marketing element is different from that of other durable products. This is due to the fact that the luxury product buyers often looked for an experience coupled with the product that they are taking home. This leads to the consumers not wanting to rely on a virtual experience but to make their purchasing process more memorable through an in-store experience. Considering these facets of luxury product marketing the study here have designed a 15 item questionnaire to understand the social media elements that can form a part of the process. In order to arrive at the elements of social media marketing the study have taken the help of principal component analysis (PCA) to understand the factors that can be extracted out of this 15 items in the questionnaire. With the KMO and Bartlett's test of sphericity, the sampling adequacy for the study is met and hence the PCA is conducted using the varimax rotation to maximise the associated factor loadings (Hair et al., 2006). A total of five factors have been extracted from the PCA conducted and depending upon their characteristics they have been termed as Entertainment, Interaction, Trendiness, Customisation and Word-of- Mouth. The five elements of social media marketing have been identified by several researchers in the past. It is in concordance with the views of who refereed these as essential social media marketing elements when considering the smartphone market in Indonesia. Similarly also stated these five elements as quite important when understanding about the influence of social media on the consumers activities related to luxury products (Godey et al., 2016; Kim & Ko, 2010, 2012). The five elements being identified in the literature and having being tested empirically using the methods of sapling adequacy and PCA have shown the results adequate to consider these elements of social media to be essential in terms of this study as well.

Brand evangelism is a stage reached by a consumer of a particular brand after being a brand loyal. In this stage the consumer is an advocate for the brand themselves and feel themselves to be a part of the brand as much as the owners. The measurement of brand evangelism in a consumer is done using two variables which are considered to be the

indicators of a consumer being a brand evangelist (Panda et al., 2020). These two factors are brand advocacy and brand defence. Quite similar to their terminology is brand advocacy refers to the consumers being advocates for the brand themselves whenever there is any misconception formulated in the market around them. Second factor of brand defense refers to the consumers turning into a defensive mode when it comes to protecting the brand from various rumours and disbelief among others. But the factors have been extracted out of appropriate statistical methods and he prefers to have a significant determining power in case of luxury brands. There is a strong impact of social media elements generated on the brand evangelism of luxury product consumers.

CONCLUSION AND FUTURE OUTLOOK

Apart from theoretical contributions being able to provide practical implications to the marketers is an important agenda to contact research of such level. The marketing scenario in the present times have changed significantly mostly because of the advent of technology and its methods of doing business and requires constant research on the subject to gain more insight into it. The study here included the aspect of social media marketing in case of luxury product items to be able to understand the role played by them in making the luxury products more appealing to the masses. The concept of luxury products being brought bought by a niche market in the present time no longer holds due to its high level of accessibility and occasional promotional discounts which makes people interested towards them. This generates the requirement of the luxury brands to promote themselves using social media and generate a sense of interest towards them. The study have suggested the social media elements working in favour of luxury brands to be inclusive of factors such as entertainment, trendiness, customisation, interaction and word-of-mouth. Word-of-mouth is one such element which can work in favour of luxury brands to the most. The purchase of luxury items is highly thought upon and it falls into the speciality product group. In case of speciality products word-of-mouth coming from once pure and one person can cause effective transformation in the purchasing process. As word-of-mouth can be highly facilitated by social media marketing the luxury brands must go on and promote their products in a social media platform to be able to enhance their word of mouth process and result on higher sales. All over interaction is another important aspect which is favoured by social media marketing. The process of luxury product purchasing can be made for the special when it is comprised of high levels of interactions among the sales executives and the consumer. Initial process of the interaction can be started using social media marketing and could eventually lead into the consumers having a good experience in the stores. Similarly providing entertainment customisation facilities and trendiness alerts using social media marketing can have high impact and result on the sales of luxury product market. As the demographics of the respondents here already suggested the age group of 25 to 34 years and being mostly female, these can be highly targeted using short social media platforms to be able to provide more customised and real-time advertisement of the luxury brands. The ability to have advertisement based on various technical feasibility methods it will be quite efficient of the luxury brands to make use of the social media platforms to its fullest to be able to reach out to its wide range of consumers within the mentioned demographics.

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Received: 19-Mar-2023, Manuscript No. AMSJ-23-13359; **Editor assigned:** 20-Mar-2023, PreQC No. AMSJ-23-13359(PQ); **Reviewed:** 23-Apr-2023, QC No. AMSJ-23-13359; **Revised:** 23-May-2023, Manuscript No. AMSJ-23-13359(R); **Published:** 08-Jun-2023