

COLUMNS

Using digital to connect luxury shoppers with luxury brands

February 9, 2016



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Every industry has been disrupted by technology and pushed to evolve their marketing strategy. In some ways, luxury advertisers have embraced the digital revolution and found new methods of improving the customer and user experience. But a large number of luxury marketing spend is still happening offline, despite the brand opportunities that are now available online.

There seems to be a common understanding among luxury brands that high-priced items are not going to thrive online and that using an ecommerce platform may even devalue products. True or not, direct sales are not the only way to get value out of the digital world.

Net net

Most luxury brands have a very specific target audience, typically affluent individuals. Therefore, luxury brands have traditionally bought digital media within specific owners such as The New York Times, Bloomberg and The Wall Street Journal because they feel that it is the best way they can safely find their audience online.

But what about all the people signaling their intent to buy luxury items across the Greater Internet? How do brands effectively reach out them?

Research from Epsilon and The Luxury Institute shows that 98 percent of luxury shoppers use the Internet regularly.

In addition, more than 50 percent of the time they are online, they are researching products and comparing prices on their mobile devices.

Throughout the years, studies from Google and McKinsey have shown that people spend a good amount of time researching luxury or high cost goods online before making their purchase.

And most likely, the number of times people visit a store to browse and conduct research has diminished because of the availability of information online.

With all this data about people, including demographic and information about brand affinity, along with precise data related to what people are searching for or what items they have recently purchased, there is a tremendous opportunity to use digital to identify luxury shoppers, provide them with immersive experiences and forge stronger customer relationships.

Researching signals purchase intent

Data offers established brands the opportunity to get in front of in-market buyers, including new customers and previous buyers.

Consider the amount of research that takes place before making a luxury purchase, whether that is a new car, piece of jewelry, handbag or high-end vacation.

According to WBR Digital, 45 percent of luxury purchases are influenced by what consumers find online.

The benefit of digital is that you can depict who is actually looking for information about your product and use that trail of data to determine intent to purchase.

For the luxury category, these insights will help brands determine who is ready to make a purchase and allow you to predict which people to keep informed about brand updates, such as new products, sales and seasonal marketing promotions.

Intent-based targeting is a strong complement to more traditional brand-centric media buying and helps luxury brands zero in on the people who are more likely to buy their products. It is also a great way to help them move through the buying journey, either in-store or online.

Enticing luxury buyers with digital creative

Luxury shoppers are very much part of the digital nation. They are using laptops, tablets and smartphones to follow trends, connect with brands, research products and make purchases.

Digital creative is critical to the luxury shopper it needs to drive awareness without jeopardizing brand integrity and exclusivity.

Digital platforms have transformed their environments into creative canvasses for luxury brands. We have seen this through beautifully produced digital videos, immersive creative experiences and native advertising taking place across mobile devices and platforms such as Instagram and Facebook.

There is enough creative stability in digital for luxury buyers to bring their brand to life and to do so amongst the people who are most likely to buy. The dynamic characteristics of digital also allow brands to feature more products and change up creative more easily than television or print ads.

Forging lasting relationships online

People do not have to visit a store for you to know when and how interact to with them.

Online interactions between consumers and brands inform content, marketing frequency and promotions at the individual level, which can help increase customer loyalty and brand awareness.

Loyalty can be accelerated through social, email and digital display advertising at any point within the customer's lifetime, and data can help predict these optimal moments.

This means that you need to be constantly learning and adapting to what people want so that your brand remains relevant and generates the engagement and desired response. There is simply way too much insight and value rooted in the digital medium for brands not to invest in it.

DIGITAL MARKETING may appear to be about data and targeting, but it is more about customer interaction, immersive experiences and interactive communication.

The luxury experience is more likely to stay very much in-store focused in the next few years. But this might be able to change once luxury advertisers find a way to prolong the experience that they are providing in-store across digital channels.

Data, adaptability and device versatility makes digital a strong brand vehicle for the luxury category.

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