

MULTICHANNEL

Social media transparency helps grow consumer pond: Facebook exec

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Paris Opera Ballet

By FORREST CARDAMENIS

VERSAILLES, France Digital channels offer brands fighting for a relatively small group of consumers the opportunity to appeal to new audiences, according to panelists at The New York Times International Luxury Conference on April 6.

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While overexposure on social media has some worried about losing exclusivity, panelists from Facebook and The Paris Opera emphasized the opportunity it presents to appeal to an audience that could not be reached any other way. To be successful going forward, businesses will need to find ways to incorporate new channels into their story in a genuine manner that will reach new customers.

"The key to being successful is creating a larger pond," said Matt Jacobson, head of market development at Facebook and Instagram. "Paris Opera Ballet is a really big fish in a medium-sized pond how do you make the pond bigger?"

Big fish, small pond

While the Paris Opera, like many luxury fashion houses, has a long and storied history, there came a point when social media simply could not be ignored. Promoting itself on social media networks such as Facebook has led to a measurable increase in sales.

Benjamin Millepied, director of dance at The Paris Opera, said that ballet capacity averages 98 percent and that when photos are posted to Facebook, ticket sales spike over the next day.



(L-R) Matt Jacobson, Benjamin Millepied and New York Times Fashion Director Vanessa Friedman

"All these people who never came to the opera were talking about it," Mr. Millepied said. "For me, [social media] is a chance to communicate and help open a gorgeous art to more people."

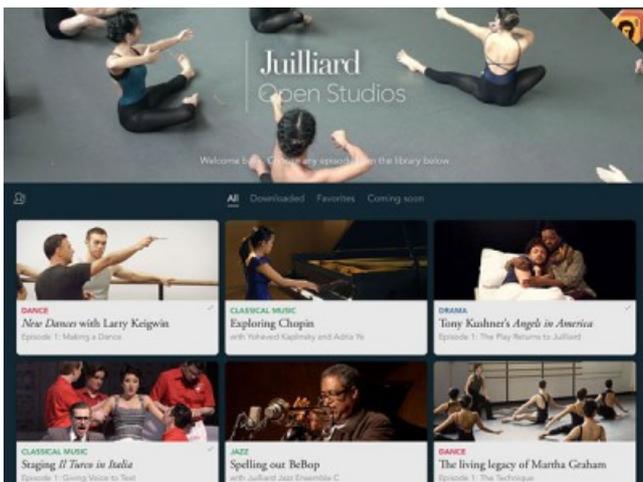
The benefits of "making the pond bigger" in this manner are obvious. While the base of opera attendees (or in another sector, fashion or jewelry or fragrance purchasers) may be the most devout, encouraging first-time purchases creates revenue immediately as well as an opportunity to create a larger base to cull from in the future.

While Instagram has recently taken off, growth plans for Facebook Live, a personal streaming service that, unlike Instagram or YouTube, cannot be curated or polished, could send the luxury industry in a new direction. However, Mr. Jacobson stressed that the question is not so simple as to determine which is the platform of the future.

The goal of Facebook that has been taken up by successors is to make the world more open and connected, and this can be attained in a variety of ways. Social media has broken down walls between brand and consumer but also made operations more transparent to employees within a company as well.

For the Paris Opera Ballet, the plan is to develop an arts platform that covers a full range much like ballet itself with dance at the center. The arts in general and dance in particular, worldwide but especially in America, are going through a difficult time with limited capital. Mr. Millepied hopes that they will have an alternate model for attaining capital.

"There are issues here, issues there, and we need to come up with new ways of financing the arts," he said. "I think with digital, I saw something just last night."



Juilliard Open Studios app

"I was happy to see Juilliard just started a new 'open studios,' basically with all this content where you get a free trial and if you pay for the app you get access to all these class and behind-the-scenes material," he said. "Juilliard has found a way to monetize what they have."

Going forward, there will be a range of platforms to determine which best fits the brand. What is clear, though, is that this is the way consumers live and it is already creating profound changes in the way businesses are run. As pointed out by moderator Vanessa Friedman, fashion director of The New York Times, the transparency of social media has forced brands to be more committed and complete in their sustainability efforts.

Outreach revolution

The opportunities for new platforms and consumers extend far beyond the arts sector.

Disruptions in the television industry offer a major opportunity for fashion, according to the CEO of WME/IMG at The New York Times International Luxury Conference on April 6.

It would have been unthinkable a decade or two ago that food shows would be so popular on television, and fashion could have the same breakthrough. The shift in the runway show to a more consumer-facing event and consumers' streaming and cord-cutting habits indicate opportunities for brands to reach consumers in new in-demand ways ([see story](#)).

There are 7.2 billion individuals in the world and as of January 2015, over 3 billion of them are active Internet users, according to research conducted by We Are Social.

The growing number of individuals who are gaining better access to the Internet and mobile devices opens a world of potential consumers for brands. This data can inform luxury marketers of the top social channels in specific countries and will likely aid in the integration of brands into nations that have previously been overlooked ([see story](#)).

"I think this kind of transparency as to what you are doing as a competitor and what other brands are doing and telling stories in an authentic way creates a really interesting environment," Mr. Jacobson said. "This idea that doors were closed and it's a caste society and you couldn't get in those days are over.

"The era of bullies and [jerks] in business are over. I think the transparency Facebook and Instagram offer, that brands are communicating directly, has helped break down a lot of those walls."

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