

COLUMNS

Frenemies: Luxury brands and social media

December 12, 2017



Gregg Berger is senior vice president of business development at nylmedia

By **Gregg Berger**

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

Social media, as the Holy Grail for some brands, has had a complicated relationship with the luxury sector.

A necessary evil for brands, where scarcity has historically been one of the cornerstones of success, social media presents specific challenges and opportunities for those willing to embrace the new world order.

Post it?

Let us start with Facebook. Originally, a fairly safe place to create an almost micro-site environment, Facebook has morphed from a content platform to one of the most efficient advertising channels a must for all brands looking to drive their ecommerce business.

That said, has Facebook really adapted in a way that makes the environment more hospitable to the luxury set? Ad formats remain restrictive and do not allow for a lot of creative license, which is another important aspect to luxury brand marketing.

A brand's commitment to video should not be faint-hearted. Video quality and frequency is key for luxury brands. It may not necessarily translate into a bigger following, but it may transform viewers into a faithful audience.

YouTube and Facebook are the best channels for this purpose. A good example would be Chanel, which is currently the leading luxury brand on all platforms. Approximately 60 percent of Chanel's Facebook posts are videos.

Still reliant on older-school channels such as magazines to truly showcase brand message and personality, it is imperative that luxury players shift some of their budget to experiential marketing as a means of maintaining creative integrity.

But shifting from one expensive medium to the other is not necessarily the winning solution. Companies should be obsessed with the quality of their product and the quality of building their media and their brand. Wanting better, not more, will help them win. Quality is the best business plan.

Now one would think that the Instagram relationship is an easier one as it is content- and brand-centric the promised land, right? Sadly, this is not the case.

In experience

Luxury brands, in many cases, are missing the mark on how to use the power of Instagram.

The Instagram audience, particularly the highly-sought-after millennial and Gen Z demographic, demand authenticity and accessibility. They want to experience and see themselves in the brand.

The Louis Vuitton Volez, Voguez, Voyagez Exhibition in New York is a great example of luxury experiential marketing.

The three-month, free admission exhibition retraces the adventure of the House of Louis Vuitton from 1854 to the present and creates Instagram-worthy material for the audience. It does not mean that every brand must spend two years and millions of dollars to create an experience for their customers. However, it certainly showcases that a real-life invitation to be a part of the brand can create a social media buzz and brand ambassadorship.

So what does this mean for a luxury brand? It is time to relax a bit.

Too many luxury brands rely on content with very high-production value which, while beautiful, feels canned and unattainable.

Campaign image after campaign image, runway shot after runway shot, while aspirational for sure, this type of imagery lacks high-touch value.

We recommend that luxury brands use a combination of produced and real-life imagery or images of a brand in the real world.

Yes, influencer marketing is one aspect of this for sure, but we challenge luxury brands to think about how to also get their customer involved in content creation.

The rise of the micro-influencer influencers with smaller, more engaged audiences is a much-talked-about tactic, but what about the micro-micro-influencer? In every city, in every country, there is a customer who can be a powerful brand ambassador. We urge our clients to leverage this.

The smart people at Instagram understood this issue, which is why they created Instagram Stories OK and, of course, to combat the rise of Snap. They wanted to help brands loosen up by creating a medium that required immediacy, therefore less production.

Luxury brands have been a bit slow to adopt as they are not quite sure how to really let people see behind the curtain. We see this as a huge opportunity, almost white space in some cases.

Where luxury brands are winning is in the Instagram advertising arena.

Prize shots

Perhaps still a new frontier in many cases, the brands who have moved significant budget to Instagram are seeing a very high ROI. Watch for the rise of Instagram Stories Ads, which is perhaps the most symbiotic channel for brands that want to control image.

What about the other channels such as Snap, Twitter and Pinterest? Well, this depends on the brand.

Twitter makes sense for large well-known, global brands as a place to direct brand conversation, but also for customer service.

That said, if a brand is going to use Twitter effectively, then there must be a dedicated person managing it. Do not just dabble.

Snap, with its avid younger audience, is a great place for luxury brands with an eye on the future they all should be thinking about the next generation of customers. With new tools to produce longer-form content, this could be an exciting channel in the future.

If Instagram continues to rollout competitive features, brands might not need to be on both platforms. Time will tell.

Pinterest remains important to luxury brands that are prioritizing ecommerce. Many still are not. Product is king on Pinterest, so strong product imagery and influencer content is important to drive traffic.

Lastly, what about the old school, yes, old-school blog? Do luxury brands need one?

OUR POV is simple.

If you have the resources, it is still a nice-to-have when designed to drive traffic to convert, or buy. But if you are using social media to its fullest capacity, then it is a can-live-without.

Luxury brands need to embrace social media, not just as a place to push brand, but as a place to engage, interact and touch their customers.

Content should be created with ROI expectations attached, which is a huge shift for luxury brands that like to create to be creative.

Gregg Berger is senior vice president of business development at [nylmedia](#), a New York-based media agency for luxury brands. Reach him at gberger@nylmedia.com.

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.