

LUXURY MEMO SPECIAL REPORTS

Video marketing: Luxury Memo special report

January 8, 2018



Kenzo leverages film to create an ethos of art. Image credit: Kenzo.

By BRIELLE JAEKEL

Video advertising has evolved exponentially since the digital takeover, but luxury brands are working to separate themselves from mass marketers.

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

With such variety in the video and advertising world, the options for connecting to consumers through various forms of film are vast. Mobile video, native content, influencers, viral video, television ads, live video, virtual reality and art are the diverse methods that luxury brands are leveraging as video consumption continues to reach new heights.

"In today's digital environment, luxury brands are becoming more sophisticated in their use of online videos, with video clips that go beyond simply conveying the superior craftsmanship, heritage and quality," said Anat Keinan, associate professor at [Harvard Business School](#), Boston. "Videos are very effective in communicating the brand's values and aspirational lifestyle.

"Videos are particularly important when marketing luxury experiences, because experiences are less tangible and hard to describe in words compared to material goods," she said. "Today's consumers strive to amass as many meaningful life experiences as they can. They seek unique and memorable, once-in-a-lifetime experiences in an attempt to check off items on an experiential check list and build their experiential resume.

"Moreover, technology, online market platform, social media, mobile, video, is allowing consumers to find, document and share experiences. Videos, created by both the brand and its customers, are instrumental in helping consumers identify, dream, create and document memorable, unique and authentic luxury experience."

5 top trends of video in marketing

- Native video

Marketers are embracing videos that seamlessly fit into their environment to better connect to consumers through authenticity.

- Mobile video

Video views on mobile are increasingly growing, with consumers spending more time on hand held devices watching videos than ever.

- Shoppable video

Retailers and brands are leveraging video to sell products by including products featured in the videos. This is especially helpful with influencer campaigns.

- Live video

Luxury brands leverage live video to better connect with their audience and create a platform around their brand.

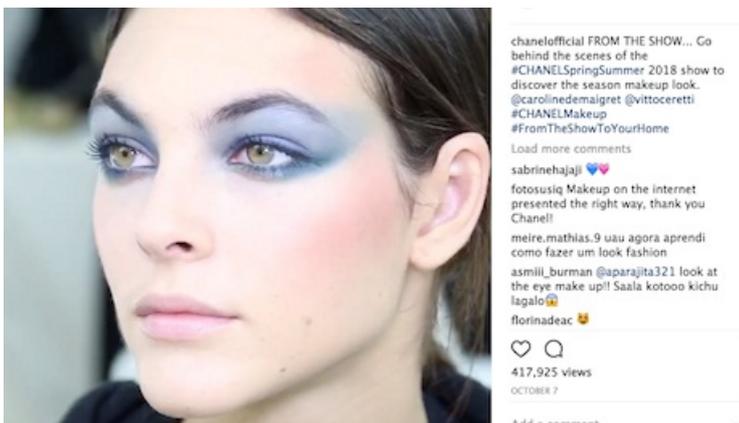
- Vertical versus horizontal

Mainstream marketers are looking into how to experiment with vertical, but luxury marketers typically stick to professional-looking horizontal formatting.

Consumption rates

Video consumption around the world continues to increase year by year at an exponential rate. It has been one of the most disruptive aspects of the digital takeover, but it is now, without a doubt, the most prolific force in relation to Internet traffic.

According to new findings from Fashionbi, by 2019 eighty percent of all consumer traffic online will come from video, with an average of 47.4 minutes spent a day watching videos. Instagram has also surpassed Facebook and YouTube in terms of video views ([see story](#)).



Chanel appeals to consumers with massive reach through Instagram video

While video advertising is nothing new since the invention of the television, it has significantly changed over the years.

The rise of digital and mobile has changed the way consumers engage with video content. These viewers are looking for entertainment, information or value when it comes to watching videos now.

Standard awareness ads, using the spray-and-pray method, are no longer viable as the only way to get out a branded message.

Luxury and mass-market brands have varying techniques in leveraging video to appeal to consumers. Luxury marketers are looking to become art creators themselves with various films.

For instance, French fashion label Kenzo recently explored the experience of living on Earth through the perspective of three nomadic filmmakers.

Kenzo Season Zero took the brand's fall/winter 2017 collection to both real and imagined places, communicating the ecological peril of the planet in the process of storytelling. While tied to the ready-to-wear line, the apparel takes a backseat to the narratives, acting as costume rather than co-star ([see story](#)).



Still from Mati Diop's "Olympe." Image courtesy of Kenzo

This is a common trope for luxury brands, as they hope to appeal to viewers in subtleties by creating pieces that move them rather than a blatant commercial.

Art of going viral

As video consumption soars, the ability to go viral becomes easier to reach. However, consumers crave authentic, interesting content, which makes this a difficult concept to grasp for brands.

Mass-market brands are poised to create viral content much more so than luxury brands, but startups have also been known to make headway in this area as well. These high-end marketers are for the most part absent when it comes to viral videos, which aligns with their exclusivity mindset.

Many brands such as McDonald's and Burger King have leveraged clever humorous videos to go viral. For example, McDonald's shared a video for a fictional "fry fork" and Burger King took joy in setting off Google Home devices in viewers' homes by repeating the voice assistant's activation phrase.

However, startup brands such as Squatty Potty and Poo-Pourri were able to attain viral attention by leveraging their respective product's comedic side in other funny videos.

Other brands such as Google, Apple and Samsung saw attention by revealing new products and product capability.

But not all luxury brands were completely absent from mass attention via video sharing.

Audi saw a lot of attention in the beginning of 2017, with a Super Bowl ad supporting gender equality and women's rights ([see story](#)). The video went viral online, receiving a mixture of backlash and support from users who had a lot to say about women's equality and the brand's decision to use the issue as a theme during the Super Bowl.

Audi #DriveProgress Big Game campaign: Daughter

This was not the only time Audi saw viral fame recently. Audi cast a T-Rex as its ideal advocate for pilotless driving in a promotional film that debuted in 2016.

Shared by Audi Germany on its YouTube channel, The Comeback went viral due to its use of humor to promote its latest technological innovations. On YouTube alone, the film saw 1.7 million views and counting in September 2016 ([see story](#)).

Mobile video

Mobile and social media have created the space in which viral videos are possible, and they are fostering video consumption's growth.

Brands and content creators have realized the influence of mobile video and its impact on consumers, but marketers still struggle to ascertain exact measurements.

Mobile video has gotten so big that ratings-measurement company Nielsen is looking to rectify this challenge through the introduction of Nielsen Mobile Video Performance, which is the company's foray into rating mobile video. Now that a video marketing strategy is so significant, Nielsen's performance review system will look at mobile quality and data as well as the ratings of individual content providers with the most positive customer experiences ([see story](#)).

While social media is supporting the growth of video, it is important that brands leverage each platform with a different mindset. Users on Snapchat are interacting with video different than they do on Facebook.



Bloomingdale's created a Snapchat scavenger hunt

On Snapchat, brands should be leveraging content that is either interactive or organic. For instance, Italian fashion label Fendi took inspiration from its whimsical Bag Bug charms for interactive storytelling.

The house tapped the skip-ahead feature on Snapchat Stories to let consumers control the Bag Bugs' actions as they look for their "home" on a handbag. This approach to mobile marketing eliminates passive viewing, allowing Fendi to potentially work around consumers' shrinking attention spans ([see story](#)).

While video marketing continues to thrive on YouTube and Facebook, Instagram has emerged as a surprisingly strong platform for film-based consumer engagement.

Facebook and YouTube both routinely see more brand engagement in general, but according to recent findings from L2, Instagram actually outperforms both when it comes to video views between customers and brands. Luxury brands in particular can use this information to their advantage and plan their video budgets around the highly engaged Instagram audience ([see story](#)).

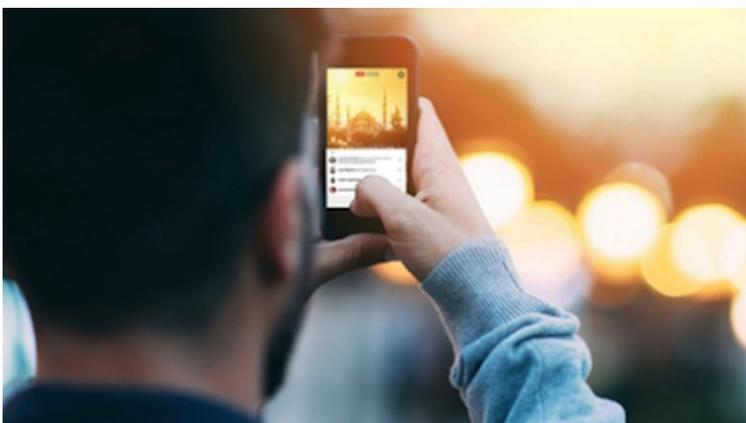
Actress NiNi partners with Gucci for its eyewear collection

"It is increasingly ineffective to blanket the whole market with the same 30-second spot," said Michael Tuminello, vice president of solutions and partnerships at [Innovid](#), New York. "The quest for authentic content across many devices and channels has luxury brands creating more content than ever, and looking to different sources to meet their needs, whether it's influencer media, content leveraging customer data or content marketing material."

Live video

While startups and mass marketers may be able to corner viral videos and mobile videos better than luxury brands, the luxury sector has a stronghold on live video, primarily the fashion end of it.

Fashion brands have been building a connection to consumers through live videos that create a bond via an organic and authentic experience. Many brands will take viewers behind the scenes of their fashion shows or product launches to foster a strong relationship with the fan or consumer.



Facebook Live is embraced by fashion brands

"The videos become shorter and less commercial every brand is trying to make its own statement via unique story," said Yana Bushmeleva chief operating officer of [Fashionbi](#), Milan. "Another trend is the rise of the live video content

to provide a unique experience during the fashion shows or special campaigns and events."

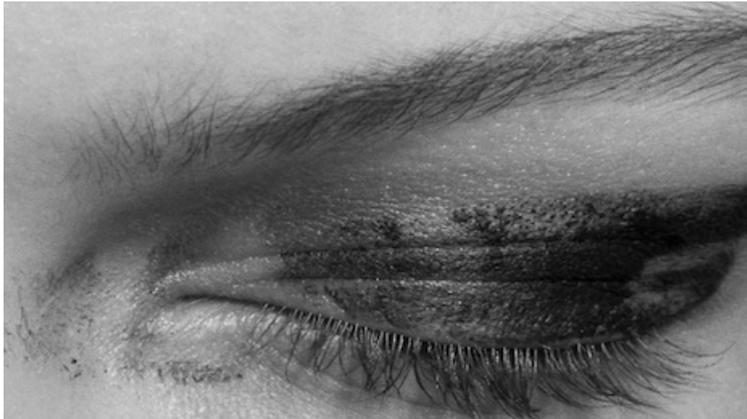
Video has long been a hallmark of marketers' toolkit. Indeed, live video is growing at a significant rate, with 78 percent of Facebook Live videos in June being paid for by a brand, according to a report by L2.

The reason for the popularity in branded live video is the medium's immediacy and ability to connect with consumers on a more personal and visceral level ([see story](#)).

Facebook, Instagram and Twitter's Periscope are only a few of the social media applications that allow for simple streaming to massive audiences. Brands can easily start a video to stream to their current followings or other users.

Luxury brands often leverage these tools for special events such as tutorials, behind the scenes looks and product launches.

For instance, French fashion label Yves Saint Laurent promoted some of its latest cosmetic products with a makeup masterclass hosted on Instagram Live.



Beauty tutorials are some of the most popular content on Instagram and YSL is cashing in on this phenomenon. Image credit: YSL Beauty

Tom Pecheux, YSL's global beauty director, hosted the class and instructed viewers on how to use the brand's cosmetics to achieve runway looks. To promote the virtual masterclass, YSL Beauty posted regular photos of Mr. Pecheux as well as close-ups of cosmetics being applied on the brand's beauty-centric Instagram account ([see story](#)).

Social influencers

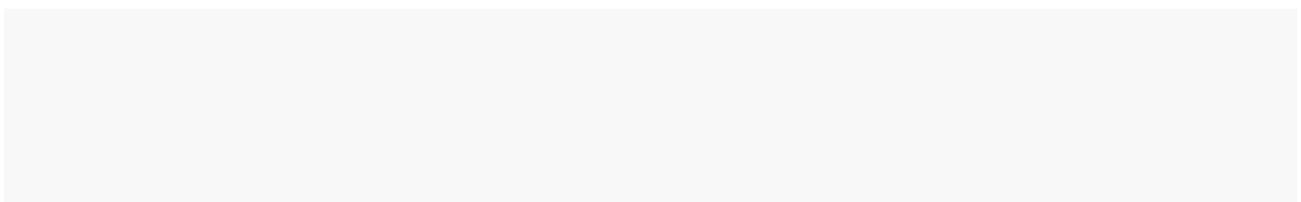
While luxury brands can often garner significant followings on their own official accounts on social media, partnering with influencers can make dramatic impact.

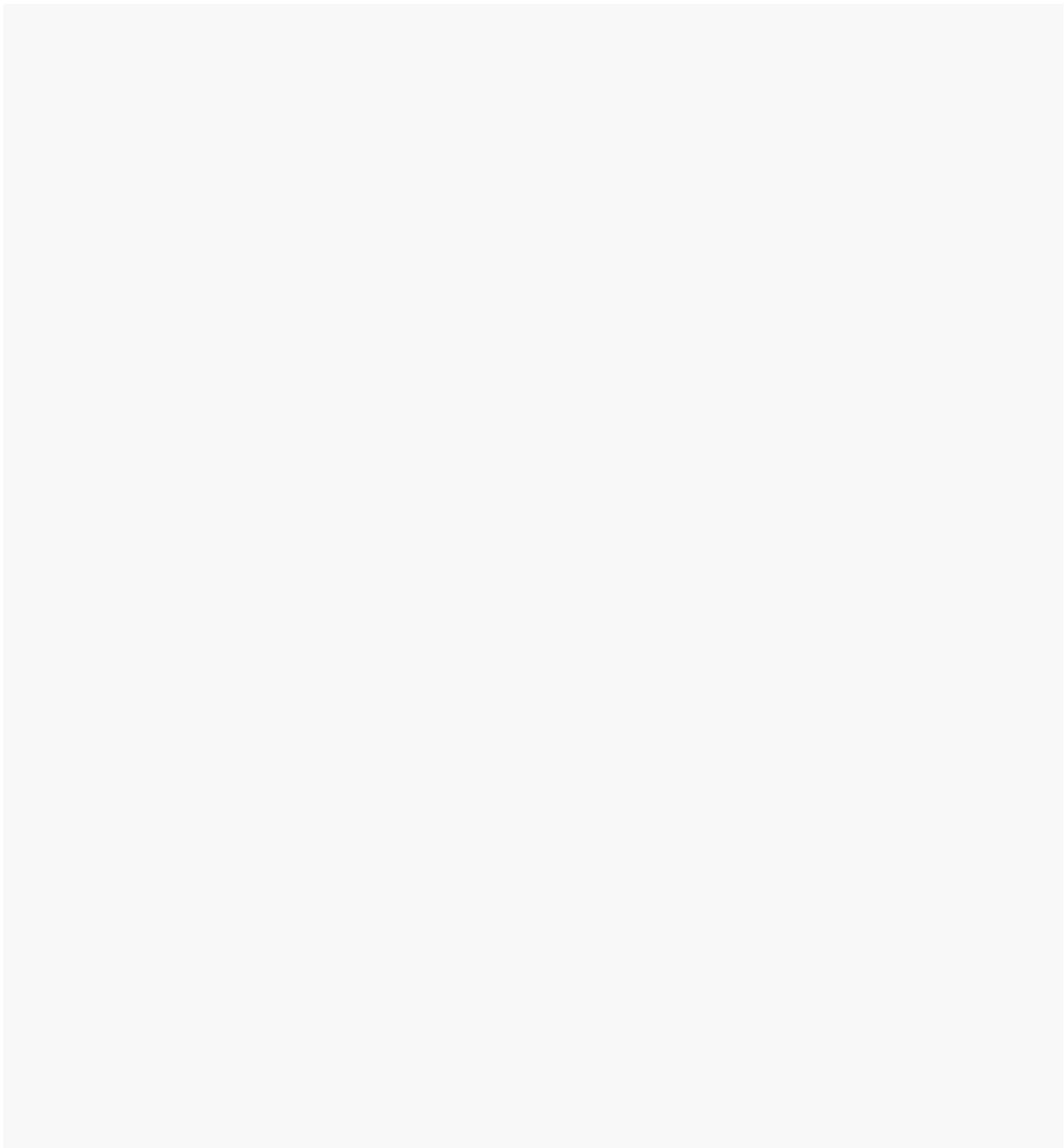
"With social media, most brands are looking to create daily content," said Frank DePino, principal and founder at Mediaboom, New York. "The focus is no longer solely on bigger budget advertising campaigns, but also on how to create everyday content that's cohesive with the rest of the brand, yet in a more cost-effective and creative way.

"Many brands are also using influencers and real people in video to tell their stories and to extend their reach through the influencers' followers," he said. "These influencers convey a relatability in an aspirational way."

Aside from having an engagement benefit for brands, influencer marketing could also lead to sales, according to new research.

Many luxury brands have adopted influencer marketing strategies, but it is not always easy to connect partnerships with personalities into conversions. A report from Olapic proves the commercial potential of these content collaborations, showing that 31 percent of consumers have bought a product or service because an influencer posted about it ([see story](#)).





#ad Enjoying my delicious @sugarbearhair gummy hair vitamins Their holiday sale starts today - checkout their website for more details! #sugarbearhair

A post shared by Kim Kardashian West (@kimkardashian) on Nov 20, 2017 at 12:18pm PST

In an example of a video influencer campaign, Japanese jeweler Mikimoto shared its pearls of wisdom through a film series highlighting the originality and perspective of seven influential women.

Mikimoto, which specializes in cultured pearls, scripted the "Pearls of Wisdom" campaign around the idea that quality and timeless elegance not only defines its jeweler, but also the women that shop its brand. Each woman featured in the campaign will reflect upon her own pearls of wisdom ranging from accomplishments, achievements and life experiences ([see story](#)).

Luxury is far and away the most-prolific collaborator with influencers on Instagram. But brands need to be aware of how to pick the best tastemaker with the right scale and focus for the campaign.

L2 has released a report delving into the data of influencers to help brands understand how follower count, authenticity and other factors play into an influencer's effectiveness. The key point is that not all influencers are

created equal, and brands need to pick the right influencer that works for them ([see more](#)).

While these influencer campaigns are highly beneficial if done correctly, individuals who are popular on social are not the only partnerships that luxury marketers delve into when it comes to video.

Publishers may have originally struggled to find their footing in the new digital age, but many have been able to spearhead the new environment to work in their favor. Luxury brands have found a way to take these established partnerships with print brands into the digital age.

For instance, British leather goods brand Mulberry teamed with British *GQ* to showcase the way its bags can be an integral part of the everyday lives of creative minds.

GQ interviews Mulberry

In a sponsored post on the Cond Nast-owned men's magazine, three creatives from London talk about why they love Mulberry bags and how they work those bags into their busy lives. By partnering with *GQ*, Mulberry is heavily targeting the modern male customer by positioning its bags as part of the masculine ideal ([see story](#)).

Television today

Video marketing started with the invention of the television, and while TV ads are still a constant today, the environment has greatly changed.

It is not just social and mobile that has changed television. The way that consumers watch TV has also evolved, with the rise of DVR and streaming outlets molding viewer habits.

Many consumers are even forgoing cable all together in favor for streaming apps that eliminate ads.

Indeed, the television advertising system needs to be overhauled to enhance rather than distract from the viewing experience, according to an executive from Turner speaking at ad:tech New York 2016.

During a panel discussion titled "Defining the Future: The Turner Ad Lab Research Initiative," speakers explained their joint venture to uncover ways to make advertising more relevant to consumers. With increasing ways to avoid commercials, whether through online streaming or ad-blocking, marketers need to find ways to deliver messages that provide value to the consumer, making them want to engage ([see story](#)).

As commercials on TV become increasingly avoidable, luxury brands may have a way to let the television content speak for them.

Many luxury brands receive organic mentions from television writers, but Prada, Gucci and Chanel are the labels that have been referenced the most.

Luxury fashion platform Winkelstraat.nl analyzed more than 100 popular TV shows with at least 50 episodes, 30 of which were broadcast after 2000. Inclusion in mass-media channels can help raise brand awareness, increasing its status as a household name ([see story](#)).

Future of video

There will be more video formats to come, shaping the future of the advertising industry.

Currently, 360-video and virtual reality formats are making headway in the video of the future. Many luxury brands feel the coolness factor, and immersiveness of these tools can create a high-end, exclusive image for that luxury marketers strive for.

Kering-owned Gucci used a technology-driven approach to raise awareness for its 2017 gifting catalog through placement on The New York Times' digital edition.



Gucci Gifting 2016 VR video

Gucci made digital its main focus for this year's gifting season with efforts ranging from peer-to-peer communications to out-of-home displays and scannable store windows. The latest addition to Gucci's gifting initiative leveraged virtual reality video to explore its creative partnership with Spanish artist Ignasi Monreal ([see story](#)).

French department store Galeries Lafayette rolled out a variety of new features both in-store and online for the holiday season in an extravaganza called Nol Spectacular Spectacular.

The department store decorated its locations to be in line with the holiday spirit as well as releasing several digital campaigns including a virtual reality experience. These efforts show that Galeries Lafayette pulled out all the stops in order to capture the holiday shopping craze ([see story](#)).

For its part, London department store Harrods promoted its globetrotting He Who Travels menswear effort with a virtual reality twist on the standard campaign film.

The retailer hosted an in-store virtual reality experience until the end of October developed in partnership with Oculus. The campaign showed the staying power that virtual reality has had this time around, as previous resurgences of the technology have not been embraced by brands the way VR has in the last few years ([see story](#)).

Best-practices tips for gaining and retaining affluent consumers' loyalty:

- Michael Tuminello, vice president of solutions and partnerships at Innovid
- "Consider all channels and devices when creating video. Planning for different content and formats upfront based on where you aim to reach people will be far more effective than expecting to repurpose a handful of exquisite traditional spots and have them work everywhere.
- "Test different approaches in different channels and plan to learn and improve across multiple campaigns rather than treating every campaign as a solo event. Find partners who can help."
- Yana Bushmeleva, chief operating officer of Fashionbi
- "What we saw with our analysis is that the storytelling videos that refer to the country of origin and craftsmanship work better for the luxury brands."
- Frank DePino, principal and founder of MediaBoom
- "Across the board in video creation, there's been a big push toward authenticity and creating content that viewers can relate to. In creating video for luxury brands, the key is to strike a balance between authenticity and desirability, while still engaging the high-end consumer."