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MARKETING

Stripped-down Instagram Lite offers brands engagement with consumers in emerging markets

June 29, 2018



Luxury brands across sectors rely on Instagram to reach consumers. Image credit: Chanel

By DANNY PARISI

Facebook is launching a bare-bones, lightweight version of Instagram aimed at emerging markets where data infrastructure is not as developed.



Dubbed Instagram Lite, the new platform will offer many of the same features as Instagram only in a much more condensed and stripped-down version. For emerging markets such as India, where luxury consumption is on the rise, Instagram Lite can help connect brands and marketers with consumers they never had a connection with before.

"Instagram's growth to over a billion users has been incredibly impressive and shows the global appetite and demand for the Instagram product," said Kyle Wong, CEO of Pixlee, San Francisco. "To continue growing, Instagram needs to find new markets.

"I believe Instagram Lite is a way to increase product usage in developing countries where users likely have more limited data plans."

Instagram Lite

Instagram is one of the most popular social media platforms in the world. Its reach coupled with its friendliness towards influencers has made it one of the best platforms for luxury brands to reach consumers.

Now, the platform is launching a new version called Instagram Lite, a stripped-down format that offers users the basic tools of Instagram in a much lighter package easier to use in areas with limited mobile data availability.



Nordstrom recently selected six influencers to act as anniversary ambassadors for an Instagram campaign. Image credit: Nordstrom

Users will be able to take and share pictures, view photos, post and view Stories that disappear after a day and search for other users. They will not be able to watch or share videos, send direct messages or use Instagram's new IGTV feature.

The move is aimed at emerging markets such as India where data infrastructure is not as fleshed out as other countries and the ability to use heavy data usage apps such as Instagram is limited.

Now, users in those areas can be reached by brands through Instagram just as well as customers in other parts of the world.

Emerging markets

Instagram is an incredibly important part of any modern luxury brand's marketing strategy.

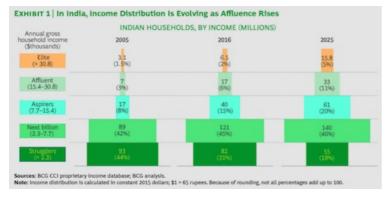
YouTube has been dethroned as the number one source for beauty promotion by Instagram, according to an Influencing Beauty report.

Digital influencers have also replaced celebrity spokespeople as the top preference for collaborations and partnerships. More than 80 percent of brands believe that these influencers are vital to appeal to millennial customers.

Beauty marketers have been early adopters of digital and influencer marketing, which have now proved to be effective for 98 percent of the industry.

Eighty-four percent of beauty brands have claimed to work with an influencer online in the past year, according to a survey from Celebrity Intelligence. The report says that for every 1 pound, or \$1.34 at current exchange, brands earned 8.81 pounds, or \$11.81, for an average positive return on investment (see story).

Instagram Lite will be a great way for brands to reach conusmers in emerging markets such as India.



India's affluent class is growing. Image credit: BCG

Consumption in India is set to reach \$4 trillion by 2025, according to a new report from the Boston Consulting Group, suggesting that luxury brands may do well to invest more resources in marketing and selling in the market.

Within the next few years, India is set to become the third largest consumer economy in the world. With the lion's share of this growth being pushed by a newly wealthy affluent consumer class, luxury appetites could soar in India by 2025 (see story).

"As a brand, there isn't much you can do with the new Instagram Lite app," Mr. Wong said. "However, over time, it is expected that more users from developing countries represent additional advertising opportunities."

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