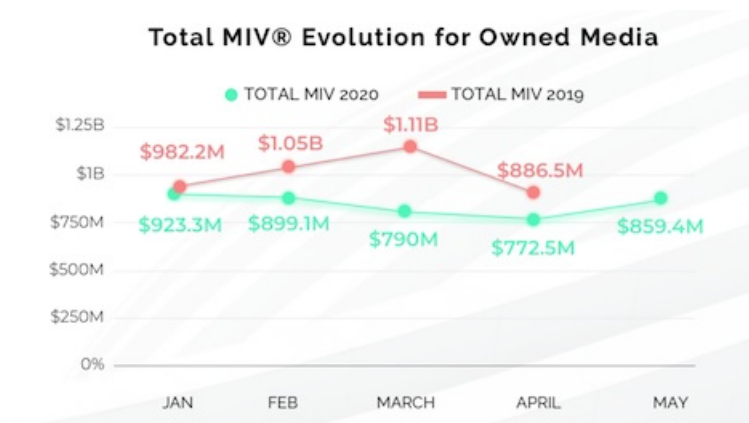


RESEARCH

## The media could have a more important impact on luxury business, study

July 2, 2020



Total media impact value of owned media. Image courtesy of Launchmetrics

By DIANNA DILWORTH

Media and digital will have a more important impact on brand marketing in the new normal as the world reopens from COVID-19 lockdowns.

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Consumers are no longer looking for marketing content to escape, but are instead connecting with information that helps them understand the world around them, according to a new report from Launchmetrics. Fashion, luxury and beauty brands need to reset their marketing campaigns and create a "return to realism" as the world tries to regain its footing.

"In recent months we have been going through a transitional period and, now, as businesses reopen and brands seek to rest their business plans for the remainder of their year and into 2021, they will need to leverage the right tools and data to empower their decision making," said Michael Jais, CEO of **Launchmetrics**, New York.

"Moving forward, it will be about making smarter decisions with tighter budgets;," he said. "This is why digital transformation and having a deep understanding of ROI is critical, for your brand to react in real time in order to make informed, strategic decisions."

Launchmetrics is a brand performance cloud for fashion, luxury and beauty.

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Louis Vuitton shared news that they would be utilizing their factories to produce hundreds of thousands of surgical masks.

\*Source: Instagram

## Media impact value

In an uncertain world, consumers are changing the voices that they trust, and the latest report from Coremetrics examines the role that different voices play in marketing. The report says that it is crucial to build successful reset strategies.

Media impact value (MIV) increased by 44 percent, becoming the top voice, as consumers rely on reputable, trusted sources to keep up on the current state of the world.

"Because people have more time, then they are more interested in reading information," Mr. Jais said.

The "Marketing Reset: The Voices Impacting Brand Performance after Covid-19" report also found that the voice of influencers increased in 2020, as consumers looked for more authoritative people for reliable information, and to see how they are responding to the situation.

"Influencers have increased their share of voice by 24 percent because they have been taking the strategy to focus on global strategies and to play the game to be like citizens of the world and not focusing on product placement and have been trying to help fundraise and make people aware," Mr. Jais said.

Owned media was the third-top performing voice for brands, according to the report and there was a shift in the type of content that created impact this year. Value-add content was more successful for brands as consumers looked to brands to support their needs.

"Brands have been trying hard to help and to show hard how they have been involved in this community like what LVMH did with masks, it had a good resonance across their audiences," Mr. Jais said.

"Of course that was expected," he said. "My gut feeling is that because they have been very involved with the community and have been trying hard to play the game, my expectation was that their voice would have been higher."



The media impact value has increased \$19.7 billion in value year-over-year. Image courtesy of Launchmetrics

## Outlook

With this in mind, the question now is what the future of the industry will look like going forward and what type of marketing strategies will shape the new normal.

The new normal will be creating smarter new initiatives that impact brand performance.

Luxury brands should be doing several things right now connecting their own values to their communications and showing how responsible they are.

"Responsible communication is growing more and more, social responsibility, digital impressions, now it is moving from something that everybody had in mind to something that we can really show," Mr. Jais said.

Going forward, brands should ensure the digitalization of their complete collections in case this crisis lasts any more than the next quarter.

Additionally, they should be asking how to restart in China, while the US and Europe are still recovering.

Brands should also be looking at how they can measure efficiency and the brand impact of all initiatives to help meet goals.

As the landscape changes, consumers are looking for relatable stories and information.

"There is a real opportunity for the media to be the one that will create a new balance for the industry," Mr. Jais said.

"The media to find a new role in this new normal."

As the role of digital continues to have a more important impact on branding, digital events will become more important for brands to inspire and connect with consumers.

"Think about the impact of having a digital fashion week compared to having physical ones," Mr. Jais said. "The industry will still need the magical moments of fashion weeks, the industry needs it. It is an entertainment moment like Cannes or Grammy Awards or The Oscars. We need these special moments to survive."

"It will go beyond see now, buy now," he said. "It will be, how do we create magical moments without physical moments that appeal to professional communities and also to consumers."

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