

MARKETING

Luxury brands can be at the forefront of digital storytelling to reach consumers

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Noonooni "goes" to Tokyo for a Mulberry partnership. Image credit: Alibaba

By SARAH RAMIREZ

NEW YORK Ecommerce sales in the luxury industry have accelerated as a result of the coronavirus pandemic, but will digital storytelling also see exponential growth?

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As a significant number of consumers remain hesitant to venture into physical stores for retail therapy, brands are faced with the challenge of engaging consumers exclusively through digital channels. In a conversation at the Future of Luxury eConference on Sept. 23, branding experts discussed how luxury brands can use a range of sophisticated tools to reach shoppers more effectively than social media or traditional influencers.

"There's a lot of back and forth about, are influencers influential?" said Rori DuBoff, managing director of innovation and strategy at Accenture Interactive. "There's a lot of skepticism and cynicism right now [among brands and consumers] about which influencers to trust and not trust.

"There's something around this realm of virtual reality, of being able to see and touch things tactically, that enables people to maybe have more confidence in a purchase decision, more so than maybe an influencer," she said.

Future of Luxury eConference was produced by Luxury Daily

Digitizing experiences

Luxury brands had already begun experimenting with virtual reality, augmented reality (AR) and digital avatars and influencers. However, as the pandemic rapidly increased reliance and acceptance of such technology, questions remain about the effectiveness and ethics of these tools.

"I think each brand has to think about that where they want to go and do they want to replace humans with computer-generated models," Ms. DuBoff said. "During COVID, when it's been harder to do production and when it's harder to find talent, it's made a lot of sense.

"For luxury and fashion, which are at the forefront, it makes sense that they'd be one of the first movers they're really the area that's been taking advantage of using these sort of virtual influencer models," she said. "I think we get into somewhat of a precarious territory, when you start thinking about what is it you're saying when you're creating these

virtual influencers."

Campaigns featuring CGI can also cut costs associated with travel and staff, as well as have less of an environmental impact for brands who are looking for ways to be sustainable, according to Ana Andjelic, brand strategist and former chief brand office at Rebecca Minkoff.

Ms. DuBoff also noted that technology has improved to make digital experiences more elevated as brands continue to escalate their online presences beyond straightforward sites. For instance, chatbots continue to improve as a resource for consumers needing support and assistance, from a frustration to a more widely accepted tool.

As a result of the pandemic, retailers are looking for ways to virtually recreate aspects of the in-store experience. This might mean virtual styling sessions, live-streaming events, unique filters on social media or AR features on mobile applications.

"The first thing is to redefine the business you're in because you need to think about that new technology, not as a marketing tool, but more as a business engine," Ms. Andjelic said. "In terms of storytelling, it means not just being able to see the store but was also trying to bring make digital real and working digital influences in a context where your consumers are already spending."

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