

How facebook is influencing millennials by branding of luxury brands



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How Facebook is influencing Millennials by branding of luxury brands: An Investigation of Marketing Strategies

Abstract

The evolution of social networking platforms encourages a scope of new intends to connect, communicate and engage millennial (Nambisan & Baron, 2007). Social media has evolved from six degrees in the 90's to entering social media platforms such as Facebook, Twitter, and Instagram.

The development of social media has generated a requirement for platforms to progress with customers demand for new products which is called social media marketing. Social media marketing is something beyond refreshing Facebook status and transferring selfie on Instagram. It gives a platform for engagement and communication between brands and individuals such as millennial. Luxury brands use social media platforms to implement their marketing strategies. Facebook's features and tools are utilised for raising brand awareness, enhancing interaction with millennial and influencing millennial purchasing decisions.

The scope of this dissertation is to identify how luxury brands use Facebook as a CRM platform to classify, connect and market to the millennial via personalised marketing campaigns in order to influence their purchasing decisions. In this research study, primary data was collected through online questionnaires via survey. This allowed the researcher to analyse the data and draw major themes systematically.

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1. Introduction

Social media gives a platform for brands to reinforce marketing their products and connecting with millennials. Brand marketers urge millennials to draw in with their brand content to assemble better brand mindfulness, dependability and connections (Hajli *et al* ., 2017). Therefore, social media marketing encourages the dispersion of new brands. Millennials frequently use social media platforms to get information about brands. Thus, social media platforms help declining the vulnerability related to acquiring about purchasing luxury brands (Awad & Fatah, 2015). Web 2. 0 and the development and ubiquity of social media has changed the way of branding crosswise (Zalicki, 2012). Since online nearness is a vital part of branding luxury products, marketers must figure out how to keep up the brand's uniqueness and attractive quality (De Souza and Ferris 2015). Millennials

invest more time on social media platforms such as Facebook that has become a key player for marketing various brand related activities (Hutter et al, 2013). Facebook is the most visited marketing platform in the world (Alexa, 2018). In the current competitive business environment, it becomes essential for marketers to select appropriate and suitable marketing strategies and marketing platform that help millennial's purchasing decision. The main theme of this study is to elaborate on the use and application of social media tools like Facebook to create branding of luxury brand.

Research Aim:

The aim of this research is to evaluate the effectiveness of Facebook in helping luxury brands influence the purchasing decisions of the millennials; to identify its impact on maintaining the brand's image and competitive edge.

Objectives:

The objectives of this research are to:

Objective 1: Critically review the rapid adoption and extensive use of social media by millennial and its impact on their purchasing decisions.

Objective 2: Critically review the Integration of Facebook in luxury brands broader social media marketing strategy to engage millennial and initiate interactions.

Objective 3: Generate insights into how Facebook marketing strategies are influencing a millennials decision to purchase a luxury brand.

Research Questions:

The researcher will seek to answer the below research questions in this study:

RQ1: How do millennials use Facebook to make purchasing decisions?

RQ2: How do luxury brands use Facebook as a marketing tool to influence millennials?

2. Literature Review

2.1 Conceptual Framework

The purpose of this chapter is to critically review literature related to concept of social media marketing and how it is influencing millennials decision to purchase luxury brands. The literature review is to compare different social media tools in terms of branding luxury products. Parker (2011) defined Social Media as 'ways to spread the word about your brand or product on the Web using tools and websites that allow a conversation to take place between you and your target market'. Kaplan and Haenlein (2010) define social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web2.0 that allows the creation and exchange of User Generated Content".

2.1 Social media

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applications that build on the ideological and technological foundations of Web 2. 0 and allow the creation and exchange of User Generated Content ''.

2. 2 Social media tools used for marketing luxury brands

Social media has turned into a key piece of life in the current period, particularly among millennial purchasers known as Generation Z who have eagerly embraced this new online ICT stage (MacKenzie et al., 2012). Social media tools such as Facebook, Twitter, and Instagram grant millennials to get information about trending luxurious brands and other brand-related sources (Matthee, 2011; Statista, 2015).

2. 2. 1 Facebook

According to Sharma (2012), social media has become a leading news platform for customers, which provides information to customers and attract their attention to purchase products. It is because, in the current business environment, where customers have less time to spend for going market to purchase products directly due to their hectic schedule, social media provides best platform to deal and purchase required products. In this, Facebook is considered as one of the most important social media marketing tools that influence buying decisions of customers (Westphal, 2017). It is because customers are personally and professionally connected with their friends, peers, family members, and society via Facebook, which works as a platform for them to share their experience about any particular luxury or ordinary brand. It creates a specific place into their mind for such particular product that influences their decisions for purchasing such product (Kimmel & Kitchen, 2016).

Overall, it is evaluated that Facebook helps firms to lead higher sales by influencing buying decisions of customers due to providing comparable information for any product, which customers want.

2. 2. 2 Twitter

As per the discussion of Iblasi, Bader & Al-Qreini (2016), it is found that Twitter is also used as a marketing tool to provide information about any product to customers that also influence their buying decisions. In this, views of different users and customers are provided on the twitter account that read by several customers and users and creates positive or negative thoughts among them for such products. In this, Baumeister & Bushman (2016) also stated that Twitter is considered as one of the best social media tools, which provide critiques and best output to customers for a particular product. It helps to create brand awareness and brand engagement among customers for a particular artifact. In this, Twitter provides a clear path or platform to customers for providing their positive and negative views for any product that maintains transparency among customers about getting information for luxury branded products (Roberts & Zahay, 2012). It means it also provides information about products and has power to mold views of customers as positive comments can force customers to buy products or vice-versa.

2. 2. 3 Instagram

As per views of O'Sullivan, (2012), nowadays, Instagram is considered as one of the most effective tools to influence mindset of customers. It is because celebrities can be used to promote luxury brands via Instagram to influence

purchasing decisions of customers. Nowadays, customers also prefer Instagram to collect information regarding any product expect to go directly to shop or outlet. By tapping Instagram influencers on organizational niche, firms can easily reach their targets. On the other side, Taylor (2017) also discussed that Instagram is considered as one of the most effective marketing tools, which influence online shopping of customers. It is because customers influenced by behavior of others that manipulates buying decisions of them. Instagram is narcissistic social media platform that affects mindset and decisions of customers by elaborating positive sides of any product in front of customers. In this, when customers go through their Instagram feed, they behave receptive towards particular brand that improves their lives and lifestyle (IntroBooks, 2018).

For example, several industries including beauty, fashion, fitness and retail use Instagram platform for promoting their products. It is beneficial for customers and marketers as well because it reduces costing of direct marketing (Taylor, 2017). Overall, though the discussion, it is found that Instagram is considered as an important advertising tool to promote branding among millennials.

2. 2. 4 LinkedIn

LinkedIn is also used as promotional tool to marketing organizational product among customers. From the views of Turban Strauss & Lai (2015), it is assessed that approx 610 millions professionals use LinkedIn, which is beneficial for firms to improve connectivity with people and society. In this, 4 of 5 LinkedIn members drive business decisions, which also offer benefits to

customers in terms of providing real picture of products that are also beneficial to gain trust and attention of customers. Buying power of average customers is double as compared to average web audience, which is also beneficial for firms to increase customer base (Carter, 2012).

2. 2. 5 Snapchat

Snapchat is also used as a promotional tool to influence buying behavior of customers. It is latest social media tool to promote organizational products among customers. It is also helpful for promoting product by highlighting pictures of products in front of customers with their benefits and comparison with similar products (Management Association and Information Resources, 2017).

2. 2. 6 YouTube

YouTube is considered as social media channel, which is used as video sharing platform, in which users can interact with each other by commenting, sharing, liking, disliking and subscribing their channels. By making videos on YouTube, it becomes easy for firms as well as for individuals to influence people positively as visual ads and processing directly influence mindset of customers that creates different image of any products among them. This social media influence YouTube visitors by understanding their psychological buying behavior and purchase decisions (Management Association and Information Resources, 2017). In this, the use of YouTube ensures the best and appropriate connection of Youtubers through engagement that psychologically satisfies customers for buying a

product. Overall, it is assessed that the use of YouTube helps marketers to find a way to connect with customers effectively.

2. 2. 7 Pinterest

According to Hayden (2012), Pinterest is considered as a platform, which attracts approx 150 active million users per month that is one of the biggest parts of customers to attract by firms. It acts as a digital scrapbook than a conventional ' social network' that is helpful to attract attention of users and viewers towards particular brand. This Pinterest works as too for discovering and sharing new ideas with customers to attract them. Such site allows customers to share, collect and discover creative ideas and visual bookmarks known as ' Pins' which are self-organized with private and public ' boards'. Therefore, it also helps to attract attention of users towards particular product.

2. 3 Social Media Marketing on Facebook

In addition to this, Hayden (2012) discussed by stating that Facebook is used as a marketing tool by firms to appeal to the emotions of their customers to induce them to buy products. It is because fear, concern, hope, want, need and desire are appealed by firms via Facebook marketing. It is because views of other customers are used to push positive thoughts among customers. It leads to positive growth of firms. Authors in the book as Management Association and Information Resources (2015) also supported views of Hayden (2012) by stating that Facebook helps firms to engage their customers that also reflect its uses as marketing tool. It is because customer engagement at a high rate also leads to higher sales positively by generating

interest among them for particular luxury brand. Facebook is a cheap and fastest marketing tool to interact with customers that also force firms to use this for influencing buying decision of customers. It is because customers can access information for any luxury brand by facebook easily that molds their decisions positively or negatively.

3. Research Methodology

This part is important as it includes methods, which are used to collect reliable and validate data for solving research issue. In this, research philosophy, research strategy, research design, and data collection methods are included in this section.

Research Philosophy:

Research philosophy refers to the ways, which is used to elaborate relationship between knowledge and process to solve the research issue. For the study, to develop knowledge towards the use of Facebook to influence Millennials by branding of luxury brands, it becomes essential to use appropriate research philosophy. It is because it develops a link between collected data and research issue (Bernard, 2017). There are three types of research philosophy such as Interpretive, positivism and realism philosophies, which can be used by researcher as per requirement of research issue. In relation to this study as social impact of Facebook is assessed that supports the use and application of interpretive research philosophy. Outcomes of the study depend over the application and use of social media by several firms, which demands use of interpretive research philosophy (Singh, 2015). For the study, scientific data is not collected, which justifies ignorance of positivism philosophy. Similarly, realism philosophy is <https://assignbuster.com/how-facebook-is-influencing-millennials-by-branding-of-luxury-brands/>

also not suitable for the study as real data is not used for the study. The need for collecting social data in relation to the research topic, use of interpretive philosophy is justified.

Research Approach:

Based on the selecting interpretive research philosophy, research approach is selected by the researcher that helps to understand flow of information during the study. Two types of approaches including inductive and deductive approach can be used by the researcher as per the need of study (Rahi, 2017). In deductive approach, flow of information is presented from general to specific, while in inductive approach it is available from specific to general. Inductive approach is used by the researcher for this study, in which firstly information collected via specific sources that include collection of data from study of different authors than general discussion is conducted to achieve appropriate outcomes. Deductive approach is avoided in the study as formation of hypothesis is avoided in the study, which is not a requirement of the study. In concern of this study, firstly understanding the concept of social marketing use is developed after that use of such media as marketing strategies understood that reflects importance of social marketing as Facebook for creating branding for luxury brands (Bernard, 2017).

Research Design:

Based on the finalized research approach, three types of research design including qualitative, quantitative and mixed research design can be used by the researcher. Quantitative design forces to collect mathematical data to analyze research issue by finding relationship between cause and effect variables. On the other side, under the qualitative research design,

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subjective nature of research question is considered because of collecting theoretical data for solving the research issue (Creswell & Poth, 2017).

Qualitative research design is suitable for the study that helps researcher to develop in-depth knowledge towards the use of social media as a marketing strategy. There is no need to collect statistic data related to research issue that justifies to the ignorance of quantitative design for the study (Rahi, 2017).

Research Strategy:

In order to collect appropriate data into the right direction, it becomes essential for the researcher to conduct study into the right direction by selecting appropriate strategies such as interview, survey, literature review, focused group, context, experiments, action research and case study. For the study, literature review is selected as research strategy to collect relevant data, in which theoretical concerns of different authors are collected and analyzed positively. To understand the use of Facebook to change mindset of customers towards luxury brands, views of several authors are gathered and analyzed (Singh, 2015).

Data Collection Method:

Methods, which are used to collect relevant data, is selected in this section. Primary and secondary data collection methods can be used as per demand of research. In primary data collection, fresh data is collected by using interview and survey that is not used previously by any researcher. At the same time, secondary data collection method includes collection used data by several researchers by using several sources such as journals, articles, books, annual reports, magazines, and authentic websites (Johnston, 2017).

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The secondary data collection method is used for the study, in which views of different authors in different studies are evaluated.

Sampling Method:

There are two types of sampling methods including probability and non-probability methods can be used by the researcher as per the requirement of the study. In this, participation of each participant is ensured under the probability sampling method, while non-probability technique does not support this. In concern of the research, non-probability sampling technique is more suitable that is used by the researcher. Under this, quota sampling technique is required for the study (Tyre & Heyman, 2016).

Data Analysis method:

For analyzing collected data, content analysis method is used for the study, which is justified by the alignment of this method with research design, strategy, and data collection method.

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