

Luxury Marketing in Social Media: The Role of Social Distance in a Craftsmanship Video

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Introduction

Demonstrating luxury craftsmanship is an important content when developing luxury advertising because luxury marketers can transfer core luxury values via craftsmanship, such as high quality, uniqueness, exclusivity, and aesthetic values (Goodrich, Schiller, & Galletta, 2015). Social media provides consumers with access and opportunity to learn how luxury products with superior craftsmanship are made from start to finish (Doran, 2012). Although social media serves as a practical platform to provide brand-related experiences to consumers, concerns remain about the risks of diluting the luxury brand's rarity because social media aims to generate high accessibility to mass consumers (Okonkwo, 2016). Thus, it is important to provide guidance to luxury marketers on how to create social media video content that not only maintains their exclusive and luxurious brand image, but to make consumers perceive the luxury brand is more accessible simultaneously. To address this issue, we manipulated existence of a consumer scene in a luxury brand craftsmanship video, and investigated its effect on perceived social distance, perceived luxury, and purchase intentions by adopting the construal level theory (CLT).

Theoretical Background

According to the CLT, individuals' thoughts and behaviors are influenced by their subjective experiences of distance from an object (i.e., psychological distance; Trope & Liberman, 2010). In particular, social distance refers to "the distance between self and non-self, which underlies social distance and perspective taking, might be a core psychological distance that exert a particularly strong influence on activation and perception of other distances" (Trope & Liberman, 2010, p. 7). People perceive a closer degree of social distance to self than others, similar than dissimilar others, and in-group than out-group members (Kim, Zhang, & Li, 2008). Thus, we expect that consumers will perceive close social distance when a self-projected target (i.e., consumer) is shown in a craftsmanship video of luxury brands (H1).

In the context of luxury marketing, researchers suggested that maintaining great social distance is effective in luxury brand management. Park, Im, and Kim (2018) found that consumers' perceptions of luxury were higher for the great than close social distance conditions in social media. Thus, perceived luxury is expected to be higher for a social media video without a consumer scene (great social distance) than with a consumer scene (close social distance; H2). However, considering consumer attitudes, their favorable attitudes toward luxury brands were higher in close than great social distance conditions (Park et al., 2018). Researchers in general marketing also showed that consumers tend to agree with the opinions of others who are socially close to them and evaluate objects related to close social targets in a more favorable manner

(Jiang, Hoegg, Dahl, & Chattopadhyay, 2009). Due to more favorable attitudes towards luxury brands, consumers' brand purchase intentions would be higher when they watch a luxury craftsmanship video with a consumer scene than without a consumer scene (H3).

Hypotheses. Consumers have (1) lower perceived social distance, (2) lower perceived luxury, and (3) higher purchase intentions after watching a luxury craftsmanship video with a consumer scene than the one without a consumer scene.

Methods

Two levels of a single factor (the craftsmanship videos with a consumer scene vs. without a consumer scene) between-subjects experimental design was used to test the hypotheses. In addition to the two treatment conditions, we added a control group who did not watch the craftsmanship video. The two craftsmanship videos were identical except the existence of a consumer scene. Subjects were assigned randomly to one of three conditions. For the treatment groups, participants watched the assigned luxury craftsmanship video and were instructed to respond to perceived social distance (Park et al., 2018), perceived luxury (Hagtvedt & Patrick, 2008), and purchase intentions (Dodds, Monroe, & Grewal, 1991) on a 7-point Likert scale. For the control group, respondents were asked to answer to the social distance, perceived luxury, and purchase intentions without watching a video.

Results

MANOVA results showed that social distance ($F_{(2, 204)} = 15.71, p < .03$), perceived luxury ($F_{(2, 204)} = 13.35, p < .001$), and purchase intentions ($F_{(2, 204)} = 15.76, p < .001$) differed significantly across the three groups. LSD post-hoc comparison results revealed that social distance was perceived to be closer after watching the craftsmanship video with than without a consumer scene (H1; $p < .03, M_{with\ consumer\ scene} = 3.80, M_{without\ consumer\ scene} = 4.38$). Participants who did not watch a video (control group) perceived a greater social distance than did those who watched a video with ($p < .001, M_{control} = 5.28$) and without a consumer scene ($p < .001$).

Further, perceived luxury did not differ significantly between groups who watched a video with and without a consumer scene (H2; n.s., $M_{with\ consumer\ scene} = 6.36, M_{without\ consumer\ scene} = 6.02$). However, compared to the control group, perceived luxury was higher in both groups who watched with ($p < .001, M_{control} = 5.50$) and without a consumer scene ($p < .01$).

The group who watched a video with a consumer scene had higher purchase intentions than those who watched a video without a consumer scene (H3; $M_{with\ consumer\ scene} = 5.54, M_{without\ consumer\ scene} = 4.76, p < .001$). Participants in the control group also had lower purchase intentions than both groups who watched a video with ($p < .001, M_{control} = 4.24$) and without a consumer scene ($p < .05$). Therefore, H1 and H3 were supported, while H2 was rejected.

Discussions & Conclusion

Applying CLT, this study investigated the effects of existence of a consumer scene presented in a luxury brand craftsmanship video on social distance, perceived luxury, and purchase intentions. Finding of this study is that when participants watched the craftsmanship video with a

consumer scene compared to the one without a consumer scene, they perceived lower social distance and higher purchase intentions; the perceived luxury did not differ regardless of the consumer scene in the video. This finding suggests that luxury marketers should include cues that lead consumers to see themselves in the advertisement, which will reduce the perceived gap between consumers and the luxury brand. Consequently, when consumers have an opportunity to purchase luxury items, they are likely to recall the luxury brand and make the decision to purchase its products.

Another findings showed that compared to participants who did not watch a video, watching craftsmanship in social media can decrease social distance, and increase perceived luxury and purchase intentions. Many previous studies in luxury marketing have stated that brands are reluctant to engage in social media marketing because it has a potential to dilute the luxury brand image. However, this study showed that the type of content (e.g., craftsmanship) that is provided to consumers to improve the image is more critical in social media luxury marketing than the social marketing in itself.

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