Chapter 13
Social Media and Consumer Behaviour Towards Luxury Brands:
An Exploratory Study in Cyprus

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ABSTRACT

In recent years there has been an upsurge of interest in social media (SM). SM has ushered a new era of communication between organizations and key stakeholders and has forced brands to change dramatically the way they interact with their target markets. Luxury brand marketers have recently turned their attention to customer-driven SM devoted to their brands recognizing the role SM plays in their marketing strategies. Key consumer behavior concepts such as motivation, interaction, and SM provide the theoretical foundation. The purpose of this chapter is to explore the relationship between SM and consumer behavior towards luxury brands. Empirical data was collected from 110 Cypriot SM users who look for information on SM about luxury brands. The aim was to explore whether SM influences consumer behavior of both male and female Cypriot consumers and whether there are any distinct behavioral differences between the two genders. This study provides recommendations to luxury brands to understand the nature of consumer behavior and brand-customer relationship in using SM.

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INTRODUCTION

Do businesses realize the challenges that the integration of SM in their marketing communication mix poses? Do they acknowledge the impact of SM on customers' perceptions regarding the brand and the brand's value? Do businesses adapt SM campaigns based on the customers' cultural and gender differences? These concerns are particularly important for luxury brands and their consumption. A study carried out on SM by Choi, Seo, Wagner and Yoon (2017) showed that consumer perceptions of luxury brands vary across cultural contexts whilst consumers have different attitudes towards luxury consumption.

Over the last years we have witnessed the unprecedented growth of the social media (SM) phenomenon, which are technological platforms for individuals to connect, produce and share content online (Boyd & Ellison, 2008). As early as 1999, the first blogging websites started to emerge and whose popularity is at an all-time high. During the early 2000s, socials like Myspace, LinkedIn, Flickr, YouTube, Facebook and Twitter emerged, shaping today's online environment. People's interaction and heightened interest in participating in these platforms, led to SM becoming one of the most popular online activities pursued by consumers around the globe (Li & Bernoff, 2011; Kujur & Singh, 2015). Batra & Keller (2016) and Kumar, Bezawada, Rishika, Janakiraman & Kannan, 2016) stipulate that social media platforms are rapidly replacing traditional marketing channels as go-to conduits for achieving a variety of marketing goals ranging from creating awareness to calling on consumers to buy. Napoli (2009) argues that on well-known platforms for example, Facebook and Twitter, consumer-distributed (rather than consumer-generated) content can critically increase the reach of brand-generated messages.

More and more academics share the view that SM has become a vital marketing tool and an integral part of the marketing mix (Pletikosa Cvijikj Dubach, Spiegler & Michahelles, 2013; Papasolomou, Thrassou, Vrontis, & Sabova, 2014; Melanthiou, Papasolomou, & Komodromos, 2015; Papasolomou & Melanthiou 2012) since it provides consumers with an opportunity to criticize, compliment, rate and rank brands online. Consequently, consumers have become more aware, knowledgeable, and even more critical of brands, brand-related activities and organizational activities in general (Fournier & Avery, 2011; Vrontis, Thrassou, & Amirkhanpour, 2017; Thrassou, Vrontis, Chebbi, & Yahiaoui, 2012).

In our modern society, the rise of social media has led to a heightened emphasis on looks and appearance. In the digital world, people gain value through the image they portray and the experiences they share with their following. Hence, a greater need has emerged among consumers to project the brands that they owe, use or consume. A study carried out by McCormick (2016) indicated that Millennials (those born between 1981-1996) are social consumers, who tend to share all aspects of their experiences on social media. Face consciousness has been extensively researched, particularly in the field of luxury brand consumption (Bao, Zhou & Su, 2003; Wong & Ahuvia, 1998). Face consciousness concerns the importance an individual attaches to the social self (Ho, 1976) and thus is regarded as a driving force of name-brand consumption (Li & Su, 2007; Monkhouse, Barnes & Stephan, 2012). Since the demand for counterfeit products derives from consumers' desire for genuine luxury brand items (Wilcox et al., 2009), the role of face in copycat consumption needs to be investigated (Chen, Zhu, Le, & Wu, 2014).

Undoubtedly, SM is constantly gaining ground. In recent years, there has been an upsurge of interest in investigating the impact of SM on green luxury products. For example, Lu & Miller (2019) explored the combined impact of SM and customer relationship management (CRM) on retail sales in the context of green (aka organic, natural and healthy) retailing. It study demonstrated the value of managing SM in conjunction with CRM, which has the potential to positively influence the purchase behavior of a retailer's most valuable customers. Another study carried out by Ju-Young & Jieun (2017) explored

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