Chapter 9

The Usage of Social Networks and Websites in International Luxury Brand Communication: An Example of the Automotive Sector

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ABSTRACT

Today, there are different digital communication opportunities that companies use to communicate with their customers. These are especially web sites and social networks. International brands are adapting to all changes in this communication environment while determining their communication strategies and then they communicate with their target audiences. Brands communicate with their target audiences and potential or unfamiliar audiences through communication opportunities without borders. This is also seen in the luxury brand market and consumers. In this study, luxury brand, luxury brand consumption, and finally website and social media applications used in international luxury brand communication are explained. In addition, comparative content analysis of corporate web sites and social media environments of Ferrari and Porsche companies, in which they are producing and marketing luxury products, were conducted and evaluations were made in the context of international luxury brand communication.

INTRODUCTION

Nowadays, generally all brands tend to leave from being only local brands and want to become a global brand. One of the main factors affecting this situation is communication technologies. Since the early 1990s, communication technologies have removed geographic distances and increased communication opportunities between companies and consumers, and also have given the opportunity to reach large masses in a short time. Together with these changes, due to increasing competition conditions, companies started to spread to different geographies faster and to offer their goods and services to different markets. This has led to the need for companies to develop international marketing strategies in these new markets

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that will enable them to be adopted by new consumers and to comply with competitive conditions. The companies have to answer many questions such as the ways of entering these new markets, the design of the marketing mix, the compose of effective strategies for success at the international level (Altuna, 2007). In this context, when considering luxury brands are generally international brands (Kapferer & Bastien, 2012b), and furthermore, according to Chevalier & Mazzalovo (2008) one of the three basic criteria for a brand to be a luxury brand is, operate in international level, brand communication activities of luxury brands on an international basis should be considered as an important element. In this context, nowadays, luxury brands have started to use Web 2.0 technologies in their brand communication activities. It has become necessary to change the established marketing approach of businesses with the emergence of Web 2.0 technologies (a set of tools that make it easier for individuals to create and publish content, share ideas, advise others, etc.). Consumers, who no longer enjoy the fact that advertising and other promotional activities are the only sources of information about the new product or service, adapt the social network, where they share their experiences with the brand or product and offer a more realistic view (Evans & McKee, 2010). Web 2.0 technologies have had three important effects on businesses. These are the transformation of the focus of activity into the web, the generation of value and power shift from the firm to the customer. Although Web 2.0 is a concept related to technology, its impact is sociological and it is a revolution for businesses in terms of its results. Active customers are the new value source of Web 2.0. Social media (Facebook, Twitter, Youtube, etc.) is the necessary tool for carrying the content that customers create to firms. Content in the form of words, text, photos, and videos has been developed by millions of consumers around the world and it is inspiring for firms to create value from a marketing perspective (Akyüz, 2013). Luxury brands use social media channels such as Facebook, Instagram, Twitter (Liu et al., 2019) and Youtube (Kim & Ko, 2012) as a means of communication. The reasons why luxury brand consumers use social media are different. For example, luxury brand consumers find Twitter useful for instant information and commenting on different events. They consider Facebook as a point of getting information about promotions. Additionally, luxury brand customers comment on the products they use and share their experiences about brands with the help of online communities, forums, and blogs (Liu et al., 2019).

Today, social media and websites are used by luxury brands both in national and international brand communication. Luxury consumption market is approximately 1 trillion euros per year worldwide and luxury cars constitute half of this market (Bain and Company Report, 2017). Despite this huge luxury spending int the world, there is a huge gap in the academic literature on luxury cars and brand communication that luxury car companies have established worldwide through websites and social networks. This chapter will make a great contribution to the literature at this point. From this point of view, in this chapter, international luxury brand communication is explained through social media and website, in addition, Ferrari and Porsche brands are examined in this context, and findings are shared.

BACKGROUND

Luxury Brand and Luxury Brand Consumption in the World

Dubois et al. (2001) proposed six basic variables to define luxury brands in consumer perception in their study which is conducted in Western Europe, America and Asia Pacific countries. These are unique product quality, very high price, rarity, aesthetics, having a long tradition and not necessary/useless.

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