LUXURIOUS BRAND AND SOCIAL MEDIA

Luxurious brands marketing strategies in social media

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Abstract

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Research questions: What are the outcomes of social media marketing used by luxury brands, brand awareness and brand perception, on purchase intention?

Purpose: The purpose of this research is to study if social media marketing can have an effect on luxuries brands perception in consumers mind and if social media can influence consumers purchase intention.

Method: This study is following a quantitative approach by using statistical methods to test the hypothesis.

Conclusion: Luxury brands are considered as exclusive and expensive brands. Social media is a mass communication tool that is usually used to reach a broad segment of consumers. The authors found out through the gathered data that consumers are aware about the brand and they perceive the brand as a luxury brand. However, consumers were not only relying on the official home page of the brand to obtain information.
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1 Introduction

This part of the thesis will start with an explanation of the field chosen and give a clear understanding in which the rest of the paper will continue. It will start with a short description of some terms such as social media, social media marketing activities, and luxury brands, then the problem raised in this study, continue with the purpose of the paper and the main question this study wants to investigate.

1.1 Background

Google trends said by the year 2009, the search on Google search engine about the word “social media” had increased rapidly (Google, 2021). The social media users around the world in 2020 reached 3.6 billion users, the number will be 4.4 billion in 2025 (Statista, 2021b). In addition, the pandemic of COVID-19 was one of the factors behind the increasing use of social media platforms while billions of people were forced to stay home working or studying, so the need for socializing has increased (Statista, 2021a).

Hence, the rapid growth of internet applications in the last decade appears to be a new level in the evolution of the internet. These applications provided marketers and companies suitable forms of interactive one-to-one marketing (Constantinides & Fountain, 2008). Furthermore, social networks can be effective tools for companies to raise brand awareness and reduce advertising costs (Bolotaeva & Cata, 2011).
Social media can be defined as “a group of internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user-generated content” (Kaplan and Haenlein, 2010). Companies can utilize this exchange of information over the internet in terms of satisfying customers needs and to build a successful relationship with their customers which reflects on the profits (Elena, 2016).

Furthermore, becoming fans when customers are involved, fans can communicate and engage with other fans on social media, increasing mutual satisfaction (Sashi, 2012). There are many studies that investigate the practices and implications of social media on branding, few of them have discussed the effect social media marketing has on luxury brands, (Godey, Manthiou, Pederzoli, Rokka, Aiello, Donvito, & Singh, 2016; Kim & Ko, 2010, 2012).

Social media has been very useful for companies as they were able to build a close relationship with their consumers, additionally, social media gave companies the opportunity to expand their markets and target new segments of customers that was difficult to reach before (Rooney, 2011). Blanchard (2015) discusses the concerns of executives on social media campaigns. Executives have concerns among their budgets for social media marketing (SMM) plans, as there are no clear materials that can determine the real effectiveness of this type of campaign. For example, increase in sales, buyer & seller relationship, return on investment rate (ROI) and conversion rate they can gain from this type of marketing plans (Blanchard, 2015).
According to Vaynerchuk (2011) brand executives raise questions such as the real purpose of social media marketing plans to be part of the promotional tools, and its relationship with other marketing platforms or tools, such as advertising, sales, public relations.

The digital revolution changed many aspects in this world and industries got influenced by the revolution in many ways, however one of these industries is luxury brands. According to Kapferer & Valette-Florence (2016) luxury brands are considered as a symbol of wealth and status, those brands are known for their scarcity and uniqueness which provide prestige to the brand and divide it from non-prestige brands.

Digital channels such as social media can offer a great connection with customers, considering the high cost of renting physical stores in main cities. Social media allows brands to deliver brand values and heritage by promotions, however, luxury brands work hard to sync between offline and digital channels (Kapferer, 2014). According to Kim and Ko (2010) social media marketing for the luxury brands has five properties or activities which are entertainment, interaction, customization, word of mouth, and trendiness.

These properties of social media influence the customer relationship positively and increase the consumer intent to purchase. For instance, providing free entertainment content, and customized service will enhance the purchase intention and increase the trust in the brand (Kim and ko, 2010). Moreover, social media activities have a positive influence on the consumer engagement, for instance, entertainment content on the luxury brands' social media pages is an interesting content even for non owners who share that content with their friends (Liu, Shin, & Burns, 2019).
Although the use of social media in marketing aims to build a relationship between the brands and consumers through two ways communication channels, the luxurious brands companies try to keep a high psychological distance with their consumers (Park, Im, & Kim, 2018). Also, to protect the brand exclusive image (Athwal, Istanbulluoglu, & McCormack, 2018). Luxury brands adapted their use of social media platforms in many ways, for example luxury brands prevent the use of the options that social media platforms provide such as live streaming and sharing stories with followers also, they didn't communicate directly with their customers through comments (Athwal et al., 2018).

This thesis investigates the relationship between social media marketing activities and luxury brands. In other words, the authors of this thesis assume that luxurious brands' marketers target a special segment of consumers who can buy their products while social media is considered a mass marketing tool. This dilemma raises up new segment of passive consumers who aspire to own luxury products but can not afford them.

1.2 Problem Statement

The expansion of social media affected the whole world and opened a whole new era of competition in businesses. Brands and companies nowadays seek new ways to interact and engage with their customers (Godey et al., 2016). Social media provides opportunities for branding and brand reputation building as it is a market channel that reaches more than two thirds of internet users in the world (Correa, Hinsley, & de Zúñiga, 2010).
The role of social media can be very useful for brands to develop a strong market knowledge, as the data and information about competitive challenges can be collected quickly from published sources (Bharati, Zhang, & Chaudhury, 2015). Despite all studies it can be difficult to measure social media marketing’s real impact on brand success (Schultz & Peltier, 2013).

Luxury brands have been defined in many ways, however, it was always referred to as premium price, excellence, exclusivity, and high transaction value (Heine, 2010). Kapferer & Bastien (2009) defines how luxury items have to be seen in the eyes of people by saying that “a luxury item that extraordinary people would consider ordinary is at the same time an extraordinary item to ordinary people”.

According to Batat (2019) “the definition of luxury is primarily cultural. For instance, the French definition of luxury is not similar to North American luxury and even very different when compared to Chinese, Russian, or Arab luxury”. Therefore, the DNA of the word luxury is the desire to be counted or belong to a superior class, while this chosen class is related to everyone's dreams (Kapferer & Bastien, 2009). However, if luxury items are available for everyone then they won't be seen as prestigious (Kapferer, 2014).

As mentioned before, luxury brands are centered on scarcity and rarity, thus, the availability and full accessibility of the content on social media seems to be a mismatch with the exclusiveness of those brands (Hennigs, Wiedmann, & Klarmann, 2012). In other words, luxury brands need to understand what social media provides them and define a strategy to increase customers' perception and experience of the brand on social media (Phan, Thomas, & Heine, 2011). According to Dubois, (2015) “the perception that luxury and digital are quite incompatible”.
The idea of exclusivity in the concept of luxury brands might be diminished by using online marketing as mass marketing reaches many audiences and provides them with information, that's why luxury brands marketers postpone implementing social media as a marketing tool (Heine & Berghaus, 2014). However, some luxury fashion brands such as Dior and Prada, have implemented social media as a marketing strategy to communicate with customers (Dhaoui, 2014). According to Chu, Kamal, & Kim (2013) luxury brands using social media platforms as marketing tools increased consumer’s desire, favorable, and purchase intention about luxury brands.

Blanchard (2015) uses the term “Ghost Follower” to describe those millions of followers on social media accounts does not mean it is an efficient marketing tool. In other words, those fans/followers might not be active with the brand and do not participate in the online conversation. Furthermore, the amount of brand mentions on social platforms does not present the effectiveness of SMM, especially when the used terms/words are general, which can be miscalculated by monitoring tools of these social media platforms (Blanchard, 2015). From what was mentioned before, we can say that companies use social media to market their brands. Social media marketing provides brands with a huge network and can cover many areas.

As Schultz & Peltier (2013) mentioned, it is very difficult to measure social media impact on brand success. In the luxury industry Batat (2019) discusses the effect of digital media as “digital media are democratic, allowing anybody to engage with the brand from anywhere, lessening the sense of exclusiveness associated with luxury”.
This thesis investigates the relationship between social media marketing activities and luxury brands. From all above the authors of this thesis have seen that there might be a mismatch of using social media platforms by luxury brands. The authors of this thesis have seen that there is a gap they want to investigate. This gap can be determined as social media is a tool that can be used to market for brands, reach many people, build a network and target new customers. However, one of the main ideas of luxury brands is exclusivity, which is against the idea of social media, where people share everything.

Here the authors thought that there is a variance between what luxury brands are and what social media marketing activities provide, as those brands lose the main idea of their brand, and they are not targeting the right customer segment. The authors of this study want to investigate the gap that arises between what the company provides using social media and how its consumers receive it and build brand perception, at the same time study if those social media ads can affect consumer purchase intention.
1.3 Purpose

The purpose of this thesis is to be able to investigate, study and provide a clear understanding about the gap/phenomena that was mentioned in the problem statement. The main purpose is to study if social media marketing can have an effect on luxury brands perception in consumers mind and if social media can influence consumers purchase intention. In other words, study why luxurious brands target aspirational consumers when they can focus on targeting obtainable consumers. The authors want to investigate the mismatch from the consumer perspective.

This thesis will provide a description of a mismatch that is caused by social media marketing strategies used by luxury brands in two fields (clothes, watches) and the types of customers out in the market, the one who wants the products but can not afford its price, and the ones who can afford the price and buy. In other words, the aspiration to have it or the ability to buy it. This thesis wants to get a deeper view and understand how social media marketing activities used by luxury brands affect the band perception and purchase intention.

The thesis might be able to provide brands with direct data about how real life customers react towards the official accounts of the brands in social media. This thesis might be very useful for luxury brands to understand the difference between direct and indirect effect of social media marketing activities, furthermore, the real effect of social media marketing done by the brands homepage, and the effect of other factors that can market for the brand by using products of the brands, such as celebrities, influencers, rich people etc.
This thesis will try to clarify the problem that companies face and work on closing the gap to understand the real reasons for using social media as a marketing tool. This thesis will use a quantitative approach in the form of surveys to capture different types of customer segments and sum up data that can be useful for the authors to be able to answer a question, which is why companies spend money on a tool that is targeting the wrong customer segment?

1.4 Research Question

What are the outcomes of social media marketing used by luxury brands, brand awareness and brand perception, on purchase attention?

1.5 Definitions

**Luxuries brand:** “high quality, expensive, and non-essential products and services that appear to be rare, exclusive, prestigious, and authentic and offer high levels of symbolic and emotional/hedonic values through consumer experiences” (Tynan, McKechnie, & Chhuon, 2010).

**Social media:** “a group of internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user-generated content” (Kaplan & Haenlein, 2010).

**Social Media Marketing activities:** Social media marketing has five dimensions or activities which are entertainment, interaction, customization, word of mouth, and trendiness (Kim & Ko, 2012).

**Branding:** “A promise, with relevant benefits” (Gronlund & Business Expert, 2013). Branding is treated as the lifeblood of companies (Steenkamp, 2014).
2 Literature Review

In this part of the study, the authors will examine relevant literature, in a way to give a brief understanding of each of the variables. Marketing, branding, consumer perception, consumer behavior, and consumer awareness.

2.1 Marketing

During the industrial revolution, marketing as we know it today started to take shape. This era began in the late eighteenth century and continued well into the nineteenth. It was a period of rapid social change driven by technological and scientific developments (Hardy, 2016). According to Webster Jr. (2008), Peter Drucker (1954) was the first who described marketing as a central management discipline when he stated “There is only one valid definition of business purpose: to create a customer. Because it is its purpose to create a customer, any business enterprise has two and only these two basic functions: marketing and innovation. They are the entrepreneurial functions. Marketing is the distinguishing, the unique function of the business.”

Back to the last century, marketing was seen as a benefit managerial tool to increase the profitability of the organization. Weeks and Marx, (1968) stated that in order to build a more efficient organization structure and improve performance, business management has started to understand the value of using a marketing concept in management.
According to Kotler (1994) the term marketing could have many meanings to different groups of people such as promotional and distributional tools used after the design process of the product. Others see marketing as a strategic department in the company doing strategic activities such as marketing research and marketing mix, another group seeing marketing as a company-wide philosophy (Kotler, 1994). Meaning that the customer serving is the key success of companies, the last group seeing marketing as a process that involves market research, segmentation, targeting, positioning which makes customers choose the company’s offer (Kotler, 1994).

The American marketing association (2017) has defined Marketing as “the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large”. The main part in the marketing system is the customer, the marketing crucial thinking and practice is fulfilling customers needs and wants (Kotler, Armstrong, Wong & Saunders, 2008). Furthermore, The basic human requirements like food, water, clothes, and safety called Needs, when those needs influenced with specific things, turns into Wants, Demands are wants for specific products limited by the ability to pay (Kotler & Keller, 2016).

For example, thirst is a human need, and it turns into wanting to drink mineral water, Evian mineral water could not be the best choice for a student. Although, meeting the consumer needs can be the key success of the business (Kotler & Keller, 2016). Even though, Failure to satisfy needs and wants has been the reason for the failure of many companies (Webster Jr., 2008). Furthermore, successful companies at all levels share one common thing, which is their main focus on consumers, they are understanding and satisfying their needs through a strong and long
relationship that everyone in the company is involved in (Armstrong & Kotler, 2005). Also, customer relationship management could be a team that had to communicate individually with all of an organization's customers in order to build databases full of customer knowledge (Elena, 2016). Furthermore, aiming to increase and deliver customer value and satisfaction (Armstrong & Kotler, 2005).

2.1.1 Segmentation, Targeting, and Positioning.

It can be difficult to satisfy each customer's unique needs since no two people have the same desires (Camilleri, 2018). Companies today cannot reach all buyers in the marketplace or in other words they can not serve all buyers at the same time in the same way, they have to build the right relationship with the right customer rather than serve the entire marketplace (Kotler et al., 2008). Market segmentation is “dividing a market into distinct groups with distinct needs, characteristics, or behaviors who might require separate products or marketing mixes” (Kotler et al., 2008). Dividing large markets can be through many variables such as demographic, geographic, psychographic and behavioural variables to help companies to serve their products or services to the right segment (Kotler et al., 2008).

After segmentation companies evaluate segment’s opportunities then pick up the profitable segments to focus on and serve it in the best way. Market Targeting is “the process of evaluating each market segment's attractiveness and selecting one or more segments to enter” (Kotler et al., 2008). After choosing the target market, marketers formulate the product “positioning statements” to stick it in the market segment's consumers mind (Camilleri, 2018). Market positioning is “arranging for a product to occupy a clear, distinctive and desirable place relative to competing products in the minds of target consumers” (Kotler et al., 2008).
2.2 Branding

The word brand comes from the old Norwegian language (Norse), the word was “Brandr” meaning to burn, which referred to how early people stamped their ownership on livestock (Gronlund & Business Expert, 2013). Bastos & Levy (2012) define the word branding as “Marking by fire” which goes back to more than 2700 BCE, when the old Egyptians used to brand oxen with special symbols from their language (hieroglyphics). Thus branding is something very old, Aaker (1991) uses the Ivory Soaps that were introduced to the world back in the 1881 as an example to point out that the word branding was not used as a strategy, or tool to make competition, until early in the twentieth century.

In Aaker’s other book on branding: 20 principles that drive success, Aaker says that in the end of the 1980s the “idea emerged”, in other words, companies understood that brands are counted like assets, have equity, develop business strategies and can improve the performance (Aaker, 2014). With all the development companies had on branding. Nowadays, people can not read magazines, newspapers, or blogs without passing across something that reminds them about branding (Gronlund & Business Expert, 2013).

Branding can be defined as the tools or ways companies communicate what the company offers to its customers, in terms of services and products, in other words feelings and emotions customers receive from certain brands. Furthermore, branding is a very useful tool that helps businesses to distinguish themselves from competitors, and branding addresses the core value, aim, and aspirations of the business (Timbrel, Jennings & Bullock, 2019).
According to Aaker (1991) “A brand is a distinguishing name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors”.

Gronlund & Business Expert (2013) define branding as “a class of goods identified as the product of a single firm or manufacturer. In addition, brands contain names and/or some kind of a logo/symbol that works as an ID for the brands to be identified on the whole world (Gronlund & Business Expert, 2013). Whan Park, Macinnis, Eisingerich & Weiss (2017) defines a brand as “a value-generating entity (name) relevant to both customers and the brand owner. If no one wants to buy the brand, the name does not have much market relevance”. Hunt (2019) argues that branding has a huge influence on companies competitiveness as branding is counted as a resource that has much value and helps companies to differentiate from its competitors.

Brands provide companies with benefits in many aspects such as real, strategic and sustainable benefits. Furthermore, brands can have a huge effect on companies performance as being “revenue generator, cost-efficiency enhancer, growth facilitator, human-capital builder, employee-morale booster, second-chance provider, market protector, alliance facilitator and asset Builder” (Whan Park et al., 2017). From a customer point of view, brands build trust, lower risks, deliver promises such as quality level, make choices easy and simple. Brands mirror the complete experience that consumers gain with products (Keller & Donald, 2006).
Branding provides marketers with opportunities of adding meanings and values to products and services, however, it is usually consumers who determine brands' meaning. In other words, it can be said that companies build identities for brands, while brand meaning is created by people (Kompella, 2014). Branding provides companies with value when consumers enter the decision making process, as it designs a system that advises consumers and helps them gather knowledge about products or services they are interested in purchasing (Keller, 2019).

Symbolism connects people to thoughts and values. Brands use symbols to create brand meaning, differentiation and recognition among customers, by stimulating people's imagination through association and suggestions. How strong those brand properties are can affect the signature cues of those brands, in other words, more meaningful components means more meaningful brand. An example to make this point clearer can be, Ferrari's prancing horse, the cowboy of Marlboro, Johnnie Walker’s Striding Man etc., (Kompella, 2014). Aaker (1991) summarized the whole idea of brands as “A product is something that is made in a factory; a brand is something that is bought by a customer. A product can be copied by a competitor; a brand is unique. A product can be quickly outdated; a successful brand is timeless”.

### 2.2.1 Brand Identity

Brand identity can be defined as a set of unique associations that brands producers design or maintain, and the symbols they apply to identify what the brand means to people (Aaker, 2010). Wheeler (2013) defines the concept as “Brand identity is tangible and appeals to the senses. You can see it, touch it, hold it, hear it, watch it move. Brand identity fuels recognition, amplifies differentiation, and makes big ideas and meaning accessible. Brand identity takes disparate elements and unifies them into whole systems”.
Michel (2017) describes the idea of brand identity using a very nice example: a house can be designed by an architect, however, for this house to exist or survive it needs strong foundations. Brands are the same concept, it can be built by firms, however, for this brand to survive it needs identity which is the foundation of the brand. Brand identity is the core of the brand and provides it with character that makes the brand unique (Barnett, Jermier & Lafferty, 2006).

According to Balmer & Greyser (2006) “Brand identity is an internal perspective, typically created before presenting the brand to external audiences, and is managed by the brand management team”. The main idea of the brand identity concept is that the brand has special characteristics that are somewhat stable. Brand identity provides brands with a set of association values that are positive, unique, strong and shared by consumers (Keller, 1993).

Brands use brand identity as a main tool to differentiate their products and services based on the firm's values (Kapferer, 1992). According to Margulies (1977) companies’ `craft` brand identity to differentiate and identify themselves in a way that is related to their values and relevant to customers. In addition, brand identity speaks for the firm's internal image and vow to customers by using a set of unique associations (Ghodeswar, 2008). For brands to obtain success, firms have to communicate their values and brand identity in both internal and external aspects, in other words, externally to the brands consumers and stakeholders and internally to the employees and managers (Aaker, 1991).
Brand image and brand identity are different from each other but are related to a certain level, in other words, brand image is connected to consumers' feelings and thoughts about the brands, however, brand identity is connected to firms actions and activities. To make the point clearer, brand identity can be seen as a message from the firm that is “packaged” or “wrapped” while brand image is the same message “unpackaged” or “unwrapped” by the customer (Nandan, 2005).

### 2.2.2 Brand Equity

Brand equity has been studied by many researchers. Brand equity can be defined as the benefits that consumers gain and relate it to the use and consumption of the brand, including all feelings that are expressed by how the brand functions and what it's symbolic (Vázquez, del Río & Iglesias, 2002). According to Keller (1993) brand equity is defined as “the differential effect of brand knowledge on customers’ response to the marketing of a brand”.

Brand equity can be described as what consumers can do to maintain a certain product and the effort the company makes to enhance what consumers need and want. In other words, the number of products consumers are willing to purchase and the price those consumers are willing to pay. On the other hand, the amount of costs the companies invest to market their product and reach their consumers (Whan Park et al., 2017).

Brand equity is the symbol and name of the brand that provides or diminishes the value that is delivered by services or products the company provides to its customers and to the company as a whole. In other words, the set of liabilities and assets that are connected to the brand name (Aaker, 1991).
According to Whan Park et al. (2017) brand equity can be reflected as a financial value that the brand can provide the brand (the company), depending on the effort the company makes to build an admiration for the brand among consumers.

The benefits of brand equity on companies were studied and discussed many times. Christodoulides & De Chernatony (2010) discussed the concept of brand equity, what it contains and how companies can make brand equity a success by using marketing action. Other scholars agreed that brand equity has an effect on increasing brand preferences, loyalty among customers and their willingness to purchase at high prices (Aaker, 1991).

According to Kim & Ko (2012) brand equity that is created by using social media activities can positively connect to future purchase responses or behaviour. The value added to companies by brand equity can generate the firm with marginal cash flow (Aaker, 1991). However, the additional value that a firm earns based on its brand equity might not be added to a firm with no brand equity that provides the same product (Keller & Donald, 2006). From a customer point of view brand equity might subtract or add value to the brand. However, brand equity helps consumers to clarify, process, and store a big amount of data and information about brands and products (Aaker, 1991).

According to Keller & Donald (2006) brand equity might play a role in the process of a repulsion from or attraction to a product or a company, which is caused by the way the product or brand was presented, not by a problem in the product. As a summary for what was said above, brand equity is very important and provides companies with; brand loyalty, perceived quality, awareness of the brand name and symbols (Aaker, 1991).
2.2.3 Brand Legitimacy

According to Schuman (1995) legitimacy can be defined as “a generalized perception that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions”. Legitimacy can be seen as a tool that is socially constructed, in other words, for legitimacy to make success, there has to be a similarity between the beliefs shared by a social group and the actions provided by the brand (Suchman, 1995).

Legitimacy is constructed, reinforced and challenged daily in both offline and online environments (Hakala, Niemi & Kohtamäki, 2017). Some brands show its legitimacy as a social tool that fits with communities or societies shared values and norms (Suchman, 1995). Organization's success and the way some brands act can be linked to how much those brands understand brand legitimacy (Hein, Weking, Schreieck, Wiesche, & Böhm, 2019). Schuman (1995) sees that “legitimacy is dependent on a collective audience, yet independent of particular observers”.

Makkonen, Aarikka-Ste & Olkkonen (2012) discusses that brand legitimacy of B2B in the marketing field is very limited, in addition, there is a lack of studies and research that investigate the process of building brand legitimacy, and its social aspect. Ideas such as individuals, groups, community, network, characteristics of society and language need to be studied more in link to brand legitimacy (Makkonen et al., 2012).

There are two types of legitimacy, moral and cognitive legitimacy. Moral legitimacy can be described as how consumers assess the real benefits of a brand to the community. However, in consumption communities’ companies often settle cognitive legitimacy (Kozinets, 2001).
According to Kates (2004) moral legitimacy appears by improving frames while cognitive legitimacy appears based on the existing frames.

2.3 Consumer Behaviour

Consumer behaviour is a very important subject for businesses, and it was defined by many. Consumer behaviour can be defined as knowledge that analyzes the process consumers pass through to satisfy their wants and needs. In other words, investigate how and why consumers chose, purchase, and use certain products, services or experiences (Kotler & Keller, 2016). According to Tyagi & Kumar (2004) consumer behaviour is a decision making process and physical activity people do when they acquire, evaluate, use or dispose of services and goods.

Martin & Morich (2011) define consumer behaviour as the feeling that shows up when consumers search to buy, use or evaluate a product they believe will satisfy their needs. This pattern can show how consumer behaviour affects the decision-making process as the following: recognition of a need, information seeking, evaluation of different options, purchase and behaviour after the purchase (Martin & Morich, 2011).

Consumer behaviour is the knowledge that studies when, where, how and why people purchase a particular product (Sandhusen, 2008). Marketers nowadays understand that consumer behaviour is a continuing process, in other words, it is not only what happens when a consumer pays money and gets in turn goods or services (Solomon, Askegaard & Hogg, 2019).
Consumer behaviour helps firms understand more about consumers, and the way they use their resources, such as time, money and effort to buy different items (Nair, 2016). Khan (2006) addresses the huge importance of studying consumer behaviour:

"is the role that it plays in our lives. We spend a lot of time in shops and marketplaces. We talk and discuss with friends about products and services and get a lot of information from T.V. This influences our daily lives".

MacInnis & Folkes (2010) discusses the need for companies to understand consumer decision-making processes, to be able to examine how some subjects such as psychology, sociology and economics collaborate and influence consumers' buying intentions. Consumer behaviour provides brands with an understanding of why customers buy certain products, this idea helps marketers to determine the products consumers need, and where they need it, however, this knowledge can help marketers to present products to customers in the best way. Marketers with knowledge about consumer behaviour know the best way to advertise their products and services, in addition, they can build buying opportunities that can lead consumers into purchase decisions (Kotler & Keller, 2016).

The idea of consumer behaviour is very simple, it's all about recognizing the customer's decision-making process in both situations as an individual and in groups. The influence of family, friends, society and other groups must be determined to be able to understand their impact (Sandhusen, 2000). Evans, Foxall & Jamal (2008) put the lights on the role of consumers too, and name it as being aware consumers are a tool people gain and adapt from previous consumer’s experiences, needs and goals that are crucial for those consumers.
Past experiences, the meaning of the product and the available information boost consumers to sift out options (Mossberg, 2003). While studying consumer behaviour companies have to define the terms “customer” and “consumer”. The term customer usually refers to someone or a group of people who on a regular basis purchase from a shop or store, however, the term consumer is more related to anyone engaging in any types of evaluating, acquiring, disposing or using of services and goods (Tyagi & Kumar, 2004).

Nair (2016) argues that a customer can be a group or individuals that buy a certain product, while on the other hand a consumer is an individual or a group of people who uses this product. In other words, the customer is the buyer of the product but not necessarily the user of it, and on the other side, the consumer is the user but might not be the buyer of it. An example can be, a father who buys toys for his kids, or a girlfriend who buys a gift for her boyfriend. When brands want to identify consumer behaviour they have to put in mind the relationship between the two terms (Nair, 2016).

Consumer behaviour is counted as an important element for companies, as it guides them to learn more about their customers, which in turn can drive them to provide very beneficial business strategies (Rabolt & Solomon, 2007). Khan (2006) explains the whole idea of consumer behaviour and its importance as “When everything revolves around the customer then the study of consumer behaviour becomes a necessity”.

28
2.4 Consumer Awareness

Brand awareness is the first dimension to establish brand knowledge. Brand awareness is linked to the power of the brand to be remembered or traced in the memory of customers, in other words, consumers' capability to classify and determine a brand under different circumstances (Rossiter & Percy, 1997). Keller (1993) defines brand awareness as “how well do the brand identities serve their function, the likelihood that a brand name will come to mind and the ease with which it does so”.

Brand awareness has an important role in the decision-making process, as it influences how consumers purchase. It is very beneficial for brands to be first remembered in the mind of consumers when they think about a certain product category. In addition, raising brand awareness in consumers' minds might increase the probability that this customer will put the chosen brand in consideration when he/she decides to buy. However, few brands gain serious consideration as first impressions (Baker, Wiliam, Hutchinson, Moore & Nedungadi, 1986).

According to Jacob & Mazursky (1984) brand awareness might have an effect on decision making about brands in consideration, despite whether there is brand association or not. Furthermore, customers have shown through time that they used to decide to buy almost only from well-established and familiar brands (Jacob & Mazursky, 1984).

Consumer awareness plays a role in increasing the effect of customer protection laws that are managed currently by governments. Furthermore, consumers are very important to help governments make new regulations, by communicating, expressing or complaining the
dissatisfaction they have, so actions and solutions from governments can be provided (Donoghue & de Klerk, 2009). Customers must be active and participate in defending the system that justify their rights to avoid exploitation by markets. On the other hand, the absence of knowledge and unawareness about consumer rights can affect consumers ability and capacity to advocate themselves against traders (Sakina, Suzanna, Azimon & Ong, 2012).

2.5 Consumers Perceptions

According to Smith (1993) perception can be defined as “an active, creative process in which raw sensory data are coded into electrical language of the nervous system, organized, and giving meanings derived from our unique personal experience”. For instance, Sunaga (2018) provides evidence for the effect of music frequency on the consumers' perceptions and decision-making process. Brand perception is very important as it can affect the relationship between companies and costumes, by providing loyalty, trust, and long-term relationships (Fournier, 1998).

According to Belch & Belch (2012) perception is created through three processes, started by sensation which is the direct response to the input of human senses (taste, smell, sight, touch, and hearing), or stimulus such as an ad, packaging, brand name. The next process of perception creation is selecting information, consumers vary due to many psychological factors that affect the interpreting of marketing stimuli (messages, ads, etc.). These factors are consumer’s personality, needs, motives, expectations, and experiences. In other words, People focus on what they need, what they expect, based on their previous experiences (Belch & Belch, 2012).
The last process of perception creation is interpreting the information. Furthermore, people perceive the same situation differently, they receive, organize, and interpret the information that they got from their sensory receptors in an individual way, perception can be formed differently due to three perceptual processes, selective attention, selective distortion, and selective retention (Kotler et al., 2008).

First, selective attention: people notice a few amounts of information through their sensory receptors, selective attention is the tendency of people to screen out most of the information to which they are exposed. Second, selective distortion: interpretation of information varies between people due to their previous experiences and their learning, selective distortion is the tendency of people to adapt information to personal meanings. Third, selective retention: people remember the related information to their beliefs and forget the rest, selective retention is the tendency of people to retain only part of the information to which they are exposed, usually the information that supports their attitudes or beliefs (Kotler et al., 2008).

Keller (1993) stated that marketers translate the attributes of a product to its benefits for consumers through advertising or any other communication channels to shape the consumers perception. For example, when some soft drinks companies use the can's opening sound in their advertisement, consumers perceive the already linked sound with this attribute of soda. In addition, perception is an important factor in the decision-making process (Belch & Belch, 2012). On the other hand, there are important variables that can affect consumer's perception which in turn affects the decision making process such as product price, quality and country of origin (Al-Aali, Randheer & Hasin, 2015).
Moreover, according to Keller (1993) brand image is a set of perceptions about brand names that are linked in the consumer memory as a group of associations. In addition, brand image can increase purchase intention and build a long term relationship with the consumers (Ku & Lin, 2018). In terms of the luxury brands market, luxury brands stand for wealth, status, uniqueness that provide prestige to the brand and differentiate it from non-prestige brands (Kapferer & Valette-Florence, 2016). To summarize it, people perceive information in various ways, marketers have to understand consumers' mindset to grab their attention to the marketing message which should be formed depending on what consumers believe, and their attitude.

### 2.6 Social Media Marketing

Inspired of the Marketing definition by the American Marketing Association (2017) social media marketing can be defined as “a process by which companies create, communicate, and deliver online marketing offerings via social media platforms to build and maintain stakeholder relationships that enhance stakeholders’ value by facilitating interaction, information sharing, offering personalized purchase recommendations, and word of mouth creation amongst stakeholders about existing and trending products and services” (Yadav & Rahman, 2018).

According to Gautam & Sharma (2017) The old model of one communication has been replaced with a new and more interactive two way model of communication by removing all boundaries of time and place. Kim & Ko (2012) study is the most cited study that investigated social media marketing and luxury brands. According to Kim & Ko (2012) social media marketing has five dimensions which are entertainment, interaction, customization, word of mouth, and trendiness.
2.6.1 Entertainment

Kaplan & Haenlein (2010) stated that “nobody is interested in speaking to a boring person. As such, if you would like your customers to engage with you, you need to give them a reason for doing”. Entertainment refers to the use of social media by luxury brands to deliver fun and interesting content to their customers (Liu et al., 2019). Moreover, entertainment considered as an affective need for the users of social media, the use of high quality visuals art in videos and images that luxury brands posted on social media can satisfy that need (Athwal et al., 2018).

2.6.2 Interaction

Sharing and interacting is the main theme of social media as two way communication platforms which leads to more consumer engagement (Kaplan & Haenlein, 2010). Also, the space given by social media to consumers helps them to express and share their ideas about the products (Godey et al., 2016). Also, the more consumers feel aware about the brands and company the more they are likely to talk about it (Mangold & Faulds, 2009).

Furthermore, conversation is the key success of social media, this kind of interaction between brands and consumers not only for marketing the products and services but also for solving problems, this interaction increases the reliability of the brand which in turn strengthens the loyalty and credibility of the company (Edosomwan, Prakasan, Kouame, Watson & Seymour, 2011). Whereas luxury brands tend to keep less interaction with their consumers on social media platforms to protect the brand exclusive image (Athwal et al., 2018).
2.6.3 Customization

According to Godey et al. (2016) customization on social media platforms can be defined as “the extent to which social media channels provide a customized information search and customized service”. In addition, people prefer to be special, especially when they deal with brands who provide them with special offers and information (Mangold & Faulds, 2009). Zhu & Chen (2015) discussed two types of messages through social media based on the level of customization which are customized and broadcast messages. A customized message targets a special person or special audience for example “tag” someone on Facebook or leaving comment in close group, while broadcast message target every one such as celebrity pages on Twitter (Zhu & Chen, 2015).

2.6.4 Word of mouth

The power of consumer-consumer conversations has been greater at the time of social media, meaning that one consumer’s review or opinion can be delivered to thousands of other consumers with not much effort through social media platforms (Mangold & Faulds, 2009). According to Anderson (1998) word of mouth can be defined as “informal communications between private parties concerning evaluations of goods and services”. Whereas, in social media the concept of word of mouth refers to the information and content that consumers of the brands upload and share with each other (Godey et al., 2016). According to Park, Hyun & Thavisay (2021) word of mouth is shaping the purchase decision and it has the major effect on the purchase intention when it comes to luxury brands, in other words the active consumers in social media who are recommending brands have a high purchase intention toward these brands.
2.6.5 Trendiness

According to Godey et al. (2016) trendiness on social media refers to posts and content that contain the latest information about luxury brands. Due to the increasing expansion of using social media by luxury brands consumers demand more up to date brand information (Liu et al., 2019). According to Muntinga, Moorman & Smit (2011) people motivated by information when they want to consume the related content of brands, there are four sub-motivations for trendy information on social media, knowledge, inspiration, pre-purchase, and surveillance.

Knowledge information which is all the information about the brand. This information can be obtained from other consumers' experience, inspiration information to get new ideas from other consumers. For example, by looking at pictures of new trendy clothes people are inspired by what to wear, pre-purchase information such as product reviews to make a good purchase decision. Surveillance people tend to stay up to date on social media for example, what is the latest iPhone specifications (Muntinga et al., 2011). Furthermore, providing consumers with new trends increases the consumers trust in the brand (Kim & Ko, 2010).
3 Conceptual Framework

Based on the literature review, this thesis will investigate the outcomes of social media used by luxury brands, on the brand awareness, perception and purchase intention. A conceptual definition for each variable has been given to describe the concepts (Frankfort-Nachmias, Nachmias & Dewaard, 2015).

3.1 Research Hypothesis

To answer the research question, “What are the outcomes of social media marketing used by luxury brands, brand awareness and brand perception, on purchase attention?” Three main hypotheses have been developed.

Brand awareness and Purchase intention.

According to Keller (1993) brand awareness stands for two dimensions which are brand recognition, and brand recall meaning, to what extent the consumer can recognize and recall the brand logo or name in specific circumstances. Furthermore, Brand awareness is an important factor in the decision making process, in other words, as long as the consumers are familiar with the brand then it will be easy for them to make the decision of buying (Jacob & Mazursky, 1984). This thesis will investigate the positive effect of luxury brand awareness on purchase intention.

H1: Brand awareness has a significant positive effect on purchase intention.

Luxury brand perception and Purchase intention.

Luxury brands can be distinguished from non luxury brands through four criterias which are related to the associations of what the brand stands for, wealth, status, uniqueness, and prestige.
In addition, the benefits that the consumers gain from owning or using the products formed as attributes of the product and focus on these attributes in the advertisements and the other communication channels (Keller, 1993).

Furthermore, the product's perceived attributes shape the brand image as a set of associations in the memory of consumers (Keller, 1993), play an important role in decision making (Belch & Belch, 2012), and increase the purchase intention (Ku & Lin, 2018). This thesis will investigate the positive effect of luxury brand perception on purchase intention. 

H2: Luxury brand perception has a significant positive effect on Purchase intention.

Social media marketing activities and Purchase intention

Entertainment, interaction, trendiness, customization and word of mouth are the five dimensions that determine the activities that the brands use to communicate with consumers through social media (Kim & Ko, 2012). First, entertainment by delivering fun and interesting contents to consumers on social media (Liu et al., 2019). Moreover, the entertaining content has an impact on customer relationship and purchase intention (Kim & Ko, 2010).

Second, interaction is the main theme of social media by answering the consumer's questions, solving their problems and giving them the space to share their ideas (Edosomwan et al., 2011). Interaction has a positive impact on purchase intention (Kim & Ko, 2010). Third, providing consumers with the up to date information about products has a positive effect on trust (Kim & Ko, 2010), which affects the purchase decision process (Muntinga et al., 2011).
Fourth, the customized service and information which are special for each customer (Mangold & Faulds, 2009), increase the purchase intention (Kim & Ko, 2010).

Fifth, the conversations between consumers are shaping the purchase decision and have a major effect on purchase intention (Park et al., 2021). This thesis intends to investigate the positive effect of social media marketing activities that have been hired by luxury brands on purchase intention. 

**H3: Social media marketing activities have a significant positive effect on purchase intention.** The third hypothesis has not been tested statistically in this thesis due to the low number of the respondents who are following the brands on social media.
(Figure 3.1) Conceptual framework

- **Brand Awareness**
  - **H1**: +

- **Luxury Brand Perception**
  - **H2**: +
  - **SMMA**
    - Entertainment
    - Interaction
    - Trendiness
    - Customization
    - WOM
  - **H3**: +

- **Purchase Intention**

  * Has been tested statistically in this thesis
  ** Has not been tested statistically in this thesis
4 Methodology

In this chapter, a description of the research approach, epistemology, data collection, and limitations will be presented, including an indication of the validity and reliability of the research.

4.1 Research Approach

This research adopted the positivist paradigm to test hypotheses by using scientific quantitative methods. According to Bryman & Bell (2011) positivism is “an epistemological position that advocates the application of the methods of the natural sciences to the study of social reality and beyond”. The authors wanted to answer many questions in this thesis such as who, what, and why, so a deductive approach was chosen for the research. The research will use a survey method (Saunders, Lewis, & Thornhill, 2019).

The authors use a deductive approach to be able to analyze, discuss and indicate the relationship and connection between the findings from the survey and the theories in the literature review (Bell, Bryman, & Harley, 2019). Using the deductive approach will help the authors to make a link between what the theories provide and the real purpose of the research, in other words, to study if the chosen theories and the presented phenomena hold for each other (Bryman, 2012).

4.1.1 Epistemology

The word “science” has a Latin root from the word “scire” which means “To Know”, the ancient Greeks called the science of knowing “Epistemology”. However, the concept of science has been misunderstood or confused the content of science with its methodology, we can not consider every
phenomena in real life as science for example, Astrology follow non scientific methodology even if there are many universities have a department of Astrology (Frankfort-Nachmias et al., 2015). Kolb (2018) defines the concept of epistemology as “Epistemology is the philosophical study of knowledge. Epistemology has moral implications”.

Epistemology deals with the question of what is or should be considered as an acceptable knowledge (Bryman & Bell, 2011). However, in social science to produce legitimate knowledge there are four elements that should be included and be linked together in the process of research; these elements are epistemology to increase the credibility, theoretical perspective, methodology, and method (Gaus, 2017). Humans gain knowledge in three different ways; by acquaintance, by skill, and by proposition, however, epistemology’s focus is propositional knowledge (Kolb, 2018).

To explain, understand, and predict the human behavior and the related environment, the Methodology of the scientific approach serves three purposes, first, providing rules for communication, second, rules for logical and valid reasoning, and third, rules for intersubjectivity (Frankfort-Nachmias et al., 2015). There are some principles that shaped the form of epistemology, which are the concept of knowledge, the rational or a priori basis of knowledge, the empirical basis of knowledge, and the inference to the external, material world (Bonjour, 2010).

4.2 Data collection

There are two types of data that are usually used in academic research: primary data and secondary data. Primary data is data gathered for the first time for a specific study or research, there are many ways to gather primary data, such as surveys, or interviews. On the other hand, secondary data is
data that has been collected by someone else, this type of data can be used as the main source for research or studies (Bryman & Bell, 2011).

Secondary data can be found in the form of books, journal articles, government departments and official websites Adams, Khan & Raeside (2014). The authors of this thesis collected data from school journals, books, and prior studies as secondary data, and data from a survey as primary data. The combination of both types of data was very useful for the validity of the study and helped the author in analyzing the data.

4.2.1 Primary data

To measure the variables of this thesis the authors will use pretested scales for each variable, Table (4.2.1.1). According to Frankfort-Nachmias et al. (2015) An operational definition “describes a set of procedures a researcher can follow in order to establish the existence of the phenomenon described by a concept”. A survey will be conducted to test brand awareness, brand perceptions, of two luxury brands Louis Vuitton (fashion), and Rolex (watches).

Also, the survey will contain items for the social media usage, social media marketing activities of Louis Vuitton and Rolex, and the willingness to buy these products. An online survey application Google forms will be used to gather data and generate shareable links which can be easily reached as much as possible of respondents.
Table 4.2.1.1 variables scales and Reliability test.

<table>
<thead>
<tr>
<th>The variable</th>
<th>Reference</th>
<th>N</th>
<th>Cronbach’s Alpha, α</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luxury brand perception LV</td>
<td>(Truong et al., 2008)</td>
<td>4</td>
<td>0.76</td>
</tr>
<tr>
<td>Luxury brand perception Rolex</td>
<td></td>
<td>4</td>
<td>0.79</td>
</tr>
<tr>
<td>Brand Awareness LV</td>
<td>(Aaker, 1996)</td>
<td>3</td>
<td>0.85</td>
</tr>
<tr>
<td>Brand Awareness Rolex</td>
<td></td>
<td>3</td>
<td>0.74</td>
</tr>
<tr>
<td>Purchase intention LV</td>
<td>(Liu et al., 2018)</td>
<td>3</td>
<td>0.81</td>
</tr>
<tr>
<td>Purchase intention Rolex</td>
<td></td>
<td>3</td>
<td>0.82</td>
</tr>
<tr>
<td>Social media marketing activities</td>
<td>(Kim &amp; Ko, 2012)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entertainment LV</td>
<td></td>
<td>2</td>
<td>0.88</td>
</tr>
<tr>
<td>Entertainment Rolex</td>
<td></td>
<td>2</td>
<td>0.90</td>
</tr>
<tr>
<td>Interaction LV</td>
<td></td>
<td>3</td>
<td>0.83</td>
</tr>
<tr>
<td>Interaction Rolex</td>
<td></td>
<td>3</td>
<td>0.91</td>
</tr>
<tr>
<td>Trendiness LV</td>
<td></td>
<td>2</td>
<td>0.85</td>
</tr>
<tr>
<td>Trendiness Rolex</td>
<td></td>
<td>2</td>
<td>0.90</td>
</tr>
<tr>
<td>Customization LV</td>
<td></td>
<td>2</td>
<td>0.87</td>
</tr>
<tr>
<td>Customization Rolex</td>
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<td>2</td>
<td>0.89</td>
</tr>
<tr>
<td>Word of mouth LV</td>
<td></td>
<td>2</td>
<td>0.87</td>
</tr>
<tr>
<td>Word of mouth Rolex</td>
<td></td>
<td>2</td>
<td>0.91</td>
</tr>
</tbody>
</table>
4.2.1.1 Instrument design

The used survey in this research divided into 6 parts which determine the respondent’s demographic, and measure the variables of this study, brand awareness, luxury brand perception, purchase intention, and social media marketing activities. Each question or statement that represents the variables has been scaled by using five points Likert scales 1-5, while 1 = strongly disagree and 5 = strongly agree, Likert rating scale is the most used format in the social sciences surveys (Frankfort-Nachmias et al., 2015).

- **Demographic variables**

  To be able to determine the descriptive statistics we used the following demographic variables, in this section the respondent choose only one category or answer.

  - Gender, four categories: Male, Female, others, prefer not to answer.
  - Education, six categories: Primary (elementary) school, secondary school, high school, associated degree < 3 years, bachelor's degree, master’s degree, and doctoral degree.
  - Employment status, eight categories: Full-time employment, Part-time employment, Unemployed, Self-employed, Voluntary unemployed, Student, Retired, Other__.
  - Employment level: entry level, middle management, senior management, I don't work.
  - Current residence country: list of world's countries.
  - Annual income, four categories: 1-30k$, 30k-60k$, 60-100k$, 100k$+.
● **Control Items**

In this study the instrument contained a control question to determine those who follow luxury brands on social media. However, the limited options to end the survey in Google forms if the respondents do not follow the brands on social media, drives the authors to remove the extra answers manually.

● **Brand awareness** *Independent Variable*

By using the brand logo and name in the top of page to grab the respondent’s attention and motivate their memory toward the brands then following three statements of (Aaker, 1996) to measure how the respondents are aware about the brand.

● **Luxury Brand perception** *Independent Variable*

In the same way in the “Brand awareness” variable, brand logo and name have been used to get what is the meaning behind that logo and name in the respondent’s mind based on their experiences, following with four statements to measure how the respondents perceive brands as luxury brands (Truong et al., 2008).

● **Purchase intention** *Dependent variable*

Three statements to measure purchase intention were used in the survey these statements were developed by (Liu et al., 2018).

● **Social media marketing activities** *Dependent variable*

Five main properties determine social media marketing activities according to (Kim & Ko, 2012). These properties will be measured by using the (Kim & Ko, 2012) scale. Entertainment 2 scale items, Interaction 3 scale items, Trendiness 2 scale items, Customization 2 scale items, and word of mouth 2 scale items.
4.3 Reliability

The question of whether a study's findings are repeatable is addressed by reliability (Bryman & Bell, 2011). According to Heale & Twycross (2015) reliability refers to the consistency of a measurement. Also, reliability refers to the degree of variable errors that the measurement tool contains (Frankfort-Nachmias et al., 2015). To determine the degree of errors in the measurement tool the authors applied Cronbach’s alpha test.

According to Heale & Twycross (2015) to check the internal consistency of an instrument Cronbach’s alpha is the most used test, the result of Alpha is a number between 0 and 1, the measurement with high level of reliability will be accepted as long as the value of alpha is above 0.7 (Heale & Twycross, 2015). In this thesis all scale items which represent the variables of study were tested by Cronbach’s Alpha coefficient see Table (4.2.1.1) variables scales and reliability test.

4.4 Validity

Validity is defined as “the extent to which a concept is accurately measured in a quantitative study”. In other words, validity is related to the question “Do we measure what we intend to measure?” (Heale & Twycross, 2015). To ensure that the condition of validity is confirmed the authors consider three essential types of validity each of them deal with measurement aspects: content validity, empirical validity, and construct validity (Frankfort-Nachmias et al., 2015).
Content validity which means to what extent the measurement tool is representing the characteristic of variables (Frankfort-Nachmias et al., 2015). The statements that were used in the survey were developed and tested by previous studies, also it confirmed the empirical validity, which means the result gained by conducting the same measurement tool should be the same when measuring the same variables. The last type of validity is construct validity by linking the measurement instrument to a general theoretical framework (Frankfort-Nachmias et al., 2015).

4.5 Limitations

The authors of this thesis chose to use the quantitative method to sum up data to answer the research question of the study. Furthermore, the authors designed a survey that was used in different continents, regions, countries, cultures, ages, and different income levels. Online surveys are less costly, take less time and are easy to reach. Due to COVID-19 and lack of time other methods of collecting data such as interviews or experimental research were not able to be conducted.

Moreover, “Online surveys commonly suffer from two serious methodological limitations: the population to which they are distributed cannot be described, and respondents with biases may select themselves into the sample.” (Andrade, 2020). All the demographics used in the survey might have an impact on the result and can be seen as a limitation, as the idea and understanding of luxury brands can differ from place, society, or culture to another (Batat, 2019).
High number of the respondents were students with low income, which can be a limitation and might affect the sample chosen in the survey. Another issue that could be seen as a limitation, is that we only focused on social media marketing activity on the luxury brands official homepage only. It is seen as a limitation because social media is very broad of interaction, where indirect marketing exists and influences. From our respondents' answers, some said that they don't follow the home page, however they have brand awareness from other social media references such as influencers.

The low number of respondents who are following the brands official home pages was an unexpected limitation that affected the process of analysis. As one of the hypotheses the authors wanted to measure was the effect of social media marketing activities, which did not apply due to unaccepted data.
5 Findings

In this chapter, findings collected from the survey will be presented in a form of charts and graphs. Every figure will contain the number of the figure and a short description of the information.

5.1 Background Demographic Data

![Gender Pie Chart](image)

**Figure 5.1.1: Gender**

The final number of answers was N= 125. The answers were from the whole world which provided the study with an international perspective. This figure represents the gender of the respondents. The respondents were divided into two segments: men and women. Women had 74 answers approximately 59.2% and men had 51 answers approximately 40.8% of the total answers.
Figure 5.1.2: Age divided by generations.

This figure represents the age of the respondents. The ages were divided according to generations from 18 years old up to 65+ years old. The biggest segment of respondents (46.4%) were ages between 25 and 35 years old. Followed by (31.2%) between 18 and 24 years old. The third group (14.4%) were between 36 and 49 years old, and the smallest group (8.0%) were between 50 and 65 years old.

Figure 5.1.3: Current Residence
In this figure, the current residence of the respondents is presented. The answers were from many countries around the world with a variety of answers from Sweden (50.4%), Syria (7.2%) and the UK (7.2%).

**Figure: 5.1.4 Level of Education**

In this figure, the authors of this thesis wanted to know the level of completed education the respondents had. The highest number of respondents were holding bachelor's degrees (44.8%), followed by master’s degrees (24.8%). Due to some answers with low levels of education, the level of reliability of the paper might be questioned.

**Figure: 5.1.5 Employment status**
In this figure, we can see the different types of employment the respondents had. Large number of the answers were either students (36.8%) or full-time employment (34.4%), followed up with (13.6%) part-time employment.

![Level of Employment](image)

*Figure: 5.1.6 Level of Employment*

In this figure, we can see the different levels the respondents had in their work. The levels were divided based on the respondents’ positions in their jobs. Due to the majority of respondents being students, a high number of respondents had either no work (30.4%) or entry level (32.0%). The second highest level (25.6%) was middle management, and senior management was (12.0%).
In this figure, we can see the annual salary of the respondents. This result can help us avoid some answers that might be fake and provide the study with wrong data. The highest number of respondents (68.8%) had income between 1$ and 30,000$ per year, due to the fact that many of the respondents were students. Followed up with (23.2%) with income between 30,000$ and 60,000$ per year. The left options shared the same number of answers (4%) for both 60,000$ to 100,000$ per year and +100,000$ per year.

5.2 Survey Analysis

In this part a descriptive analysis has been conducted to measure the variables of the study and test the hypotheses, each variable has many representative statements in the measurement tool. By using the statistical packages for social sciences SPSS, the authors conducted a compute variable to calculate the statistical mean of a group of statements that are representing each variable. The data were refined by making the decimals equal to 0.
To test the research hypotheses a linear regression analysis has been conducted. The result of the analysis shows that the Louis Vuitton awareness has a significant positive effect on the purchase intention (sig < 0.05). Meanwhile, Rolex awareness has no significant effect on purchase intention (sig > 0.05). H1a is supported by Louis Vuitton. H1b is not supported for Rolex (Table 5.2.1).

The result of linear regression also shows a significant positive effect for Louis Vuitton luxury perception on purchase intention (sig < 0.05). Also, Rolex luxury perception has a significant effect on purchase intention (sig < 0.05). H2a is supported for Louis Vuitton, H2b is supported for Rolex (Table 5.2.1). The third hypothesis (H3) was not tested due to the small number of respondents (28) who are really following the two brands on social media platforms (LV, Rolex) (Figure 5.3.1).

<table>
<thead>
<tr>
<th>Independent Variable</th>
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<th>$R^2$</th>
<th>T value</th>
<th>Sig.</th>
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<td><strong>H1a</strong></td>
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<td><strong>H1b</strong></td>
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<td>1.802</td>
<td>0.074</td>
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<td><strong>H2b</strong></td>
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<td>Rolex purchase intention</td>
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<td>2.21</td>
<td>0.026</td>
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</table>

*P=0.05 two tailed

*Table 5.2.1 Regression analysis*
### Table 5.2.2: Measurement of Variables

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<tr>
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<th>Rolex_Perception</th>
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<tr>
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<td>4.1200</td>
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<td>4.1760</td>
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<td>Std. Deviation</td>
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<td>.63327</td>
<td>.97403</td>
<td>.80824</td>
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<td>1.13403</td>
</tr>
</tbody>
</table>

### 5.2.1 Brand Awareness

![Figure 5.2.1.1: Louis Vuitton Brand Awareness](image)

In this figure we can see the brand awareness of Louis Vuitton is high. A total of 104 (83.2\%) respondents of the sample have agreed or strongly agreed with the statements that measure brand awareness. Means, the majority of respondents are aware of the brand, they know what the brand
stands for, they hear about it, and the majority has an opinion about it. The mean of Louis Vuitton brand awareness was 4.1 which is high while the standard deviation was 1.09 According to (Bryman & Bell, 2011) standard deviation is “the average amount of variation around the mean”.

![Rolex Awareness Chart]

*Figure 5.2.1.2: Rolex Brand Awareness*

In this figure we can notice that Rolex has indicated high awareness, about 113 (90%) respondents of the sample have agreed or strongly agreed the statements that measure brand awareness. Means, the majority of respondents know what Rolex stands for, have an opinion about Rolex, and have heard about the brand. The mean of Rolex brand awareness was 4.55, while the minimum value is 3, and the standard deviation 0.633.
5.2.2 Brand Perception

Figure 5.2.2.1: Louis Vuitton Brand Perception
A total of 73 (58.4%) respondents of the sample have agreed or strongly agreed the four statements that used to measure how people perceived a brand as luxury brands. While 17 (13.6%) of respondents have disagreed or strongly disagreed with the statements. Meaning, the majority of respondents perceive Louis Vuitton as prestigious, indicating wealth, symbol of achievement and social status. The mean of Louis Vuitton luxury brand perception was 3.55 while the standard deviation was 0.974.

Figure 5.2.2.2: Rolex Brand Perception
This figure shows that 99 (79.2%) respondents of the sample have agreed or strongly agreed with the four statements that measure the luxury brand perception. Meaning, the majority of respondents have strongly perceived Rolex as a prestigious, indicate to wealth, symbol of achievement and social status. The mean of Rolex luxury brand perception was 4.17 and the standard deviation was 0.8.

5.2.3 Purchase Intention

![LV Purchase intention](Figure 5.2.3.1 Louis Vuitton Purchase Intention)

This figure shows that the 84 (67.2%) respondents disagree or strongly disagree to obtain information about the brands from social media platforms and they have no intention to buy Louis Vuitton in future. The mean of purchase intention for Louis Vuitton was 2.10 which is low and the standard deviation was 1.16.
Figure 5.2.3.2: Rolex Purchase Intention

This figure shows the purchase intention of Rolex is low, a total of 85 (68%) respondents of the sample disagree or strongly disagree to obtain information from social media and have no intention to buy Rolex in future. The mean of Rolex purchase intention was 2.16 which is low and the standard deviation 1.13.

5.3 Purchase Intention Compare Means

By applying a compare means analysis for the purchase intention for each brand (Louis Vuitton and Rolex) based on the demographic variables, gender, age, annual income, level of employment. The authors have found some interesting differences between the mean of answers based on the demographic variables.

Gender: There is no big difference between means in Louis Vuitton purchase intention (2.24) and Rolex purchase intention (2.18) among females respondents. Meanwhile, the males respondents tend to buy Rolex (2.18) more than Louis Vuitton (1.94) (Table, Appendix.1).
Age: 50-65 years old category tend to buy Rolex (2.1) more than their tendency to buy Louis Vuitton (1.7). There is no big difference in means in the other age categories (Table, Appendix.2).

Annual income: the respondents who gain more than 100,000 $ per year are tending to buy Rolex (2.8) more than Louis Vuitton (1.6) while there is no big difference among the other annual income categories (Table, Appendix.3).

Level of employment: the respondents who are holding senior management positions tend to purchase Rolex (2.20) more than Louis Vuitton (1.67). Meanwhile, there is no big difference between means among the other employment level categories (Table, Appendix.4).

5.3 Social Media Marketing Activities (SMMA)

The authors have split the cases according to the control question in the survey “Do you follow Louis Vuitton’s and Rolex’s social media pages?”. A total of 28 (22.4%) respondents of the sample have followed Louis Vuitton's and/or Rolex’s in social media official pages. The authors of this thesis were expecting to get many respondents who follow the brands on social media due to the fact that social media provides companies with big opportunities to expand their markets and target new customer segments (Rooney, 2011). However, the sample respondents of the survey were against the theories (Figure 5.3.1.).

Despite that high number of the respondents were using social media on daily basis and young generations, between 18 and 35 years old (77.6%) and between 36 and 49 years old (14.4%) (figure 5.1.2), the results are conformed with (Khoros, 2019), as being the highest segment of ages using social media in daily biases all over the world (Khoros, 2019). However, out of 125 respondents, only 28 of the respondents (22.4%) followed the brands on social media.
The authors of this thesis relate this low number of followers to the fact that luxury brands sell premium price products that have high transaction values (Heine, 2010), and the majority of our sample were either students, enter level employees or had low income (Figures 5.1.5, 5.1.6 and 5.1.6). In other words, the income level might have a direct effect on the results as not many followed the brands on social media.

![Pie chart showing distribution of followers on social media](image)

**Figure 5.3.1: Following on social media**

<table>
<thead>
<tr>
<th></th>
<th>LV.SM.Engt</th>
<th>Rolex.SM.Engt</th>
<th>LV.SM.Intet</th>
<th>Rolex.SM.Intet</th>
<th>LV.SM.Trendis</th>
<th>Rolex.SM.Trendis</th>
<th>LV.SM.Customizat</th>
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<td>0</td>
<td>0</td>
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<td>0</td>
</tr>
<tr>
<td>Mean</td>
<td>4.11</td>
<td>3.57</td>
<td>3.21</td>
<td>3.04</td>
<td>4.14</td>
<td>3.64</td>
<td>3.21</td>
<td>3.32</td>
<td>3.11</td>
<td>3.18</td>
</tr>
<tr>
<td>Std. Deviation</td>
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<td>.790</td>
<td>.957</td>
<td>.793</td>
<td>.932</td>
<td>.911</td>
<td>.876</td>
<td>.723</td>
<td>1.286</td>
<td>.983</td>
</tr>
</tbody>
</table>

*a. Do you follow those brands on any Social Media platforms? = Yes*

**Table 5.3.2: Mean and Standard Deviation**
5.3.1 Social Media Marketing Entertainment

About 21 (75%) of the followers on social media of the sample have agreed or strongly agreed with the two statements that measuring the entertainment content of luxury brand’s social media official pages, means the majority of followers have seen the content of Louis Vuitton interesting and using Louis Vuitton’s social media platforms is fun. The mean of Louis Vuitton social media entertainment was 4.11 and the standard deviation 0.87.

Figure 5.3.1.2: Rolex Entertainment
A total of 11 (39.3%) followers on social media of the sample have agreed or strongly agreed with the two statements that measure the entertainment of Rolex social media official pages, meanwhile 17 (60.7%) of followers were somewhat agree the two statements, the lowest value was 3, the mean was 3.57 and the standard deviation 0.79.

5.3.2 Social Media Marketing Interaction

![Bar chart showing Louis Vuitton Interaction]

Figure 5.3.2.1 Louis Vuitton Interaction

A total of 10 (30.7%) followers on social media of the sample have agreed or strongly agreed with the three statements that measure social media page interaction or in other words the availability of sharing opinions and information in the Louis Vuitton's social media pages, meanwhile 11 (39.3%) followers were somewhat agree with the statements. The mean of Louis Vuitton interaction was 3.21 and the standard deviation 0.957.
A total of 7 (25%) followers on social media of the sample have agreed or strongly agreed with the three statements that measure the interaction on Rolex's social media page, while 14 (50%) somewhat agree. The mean of Rolex’s interaction was 3.04 and the standard deviation 0.793.

5.3.3 Social Media Marketing Trendiness

Figure 5.3.3.1: Louis Vuitton Trendiness
A total of 22 (78.6%) followers on social media of the sample have agreed or strongly agreed the two statements that measure Louis Vuitton's social media trendiness. The mean of Louis Vuitton social media trendiness 4.14 and the standard deviation 0.93.

Figure 5.3.3.2: Rolex Interaction
A total of 14 (50%) followers on social media of the sample have agreed or strongly agreed with the statement that measures Rolex’s social media trendiness, while 12 (42.9%) of followers have somewhat agreed with the two statements. The mean of Rolex’s social media trendiness was 3.64 and the deviation 0.911.
5.3.4 Social Media Marketing Customization

Figure 5.3.4.1: Louis Vuitton Customization

A total of 9 (32.1%) followers on social media of the sample have agreed or strongly agreed with the statements that measures the availability of customized information search and customized service on Louis Vuitton's social media official page, while 15 (53.6%) of followers have somewhat agreed. The mean of Louis Vuitton social media customization was 3.2 and the standard deviation 0.876.

Figure 5.3.4.2: Rolex Customization
A total of 7 (25%) followers on social media of the sample have agreed or strongly agreed with the two statements that measure the availability of customized information search and customized service on Rolex’s social media official page, while 20 (71.4%) of followers have somewhat agreed with the two statements. The mean of Rolex’s social media customization was 3.32 and the standard deviation 0.72.

5.3.5 Social Media Marketing Word-of-Mouth

A total of 10 (35.7%) followers on social media of the sample have agreed or strongly agreed with the two statements that measure word of mouth about Louis Vuitton's information/content on social media, while 10 (35.7%) of followers have somewhat agreed with the statements. The mean of Louis Vuitton word of mouth on social media was 3.11 and the standard deviation was 1.28.
A total of 9 (32.1%) followers on social media of the sample have agreed or strongly agreed with the two statements that measure word of mouth about Rolex’s information/content on social media, while 13 (46.4%) of followers have somewhat agreed with the statements. The mean of Rolex’s was 3.18 and the standard deviation was 0.98.

*Figure 5.3.5.2: Rolex Word-of-Mouth*
6 Theoretical Discussion

In this chapter, the authors of this thesis will analyze the data that was gathered by a survey and presented in the findings part. The discussion of the data will be reflected, connected and compared to the theories chosen in the theoretical framework part.

6.1 Variance in Luxury Brand Awareness

As mentioned throughout the thesis, brand awareness is connected to the brands' power of being recognized, traced or remembered by customers (Rossiter & Percy, 1997). In addition, brand awareness plays a role in influencing consumers and effecting their purchase intention (Baker et al., 1986).

To measure the brand awareness and link it to purchase intention to see if the theory is working in real life. Questions were asked about familiarizing the respondents to the chosen brands (I know what this brand stands for, I have heard of this brand, and I have an opinion about this brand), to give a clear result of the respondents familiarity and awareness to Louis Vuitton and Rolex.

The authors calculate the mean of three statements that measured the awareness. The results show that (83.2%) were aware of Louis Vuitton and (90%) were aware of Rolex (Figure 5.2.1.1 and 5.2.1.2). Furthermore, the authors wanted to measure the relationship between the two variables (brand awareness and purchase intention) as in theory it was shown that customers are more willing to buy from brands that are well-known and familiar (Jacob & Mazursky, 1984).
However, despite the high awareness Rolex got among the research sample compared to Louis Vuitton, after analyzing the data the authors found out that there is a relationship between Louis Vuitton brand awareness and purchase intention, while it did not show the same effect between Rolex brand awareness and purchase intention (table 5.2.1). The results are variance between the two brands, and it applies with the thesis hypothesis (H1a) but not with thesis hypothesis (H1b) (figure 3.1).

The authors of this thesis relate the variance in results to the fact that even in the luxury brands industry there are different levels of products and prices, meaning that Rolex products have high prices and with limited collections, however, Louis Vuitton have a variety of products with different price segments.

High number of samples in this study had low income, so the authors connect this point with the variance in price between Louis Vuitton and Rolex, meaning that for students and low income employers it might be easier to buy Louis Vuitton than Rolex. The results of the brand awareness help build up to the conclusion of how people use social media brand awareness as a tool for purchasing, planning to purchase or aspirational intentional buyers in the future.

6.2 Variance in Luxury Brand Perception

The literature describes brand perception as the process that is active between brands and customers (Smith, 1993). Brand perception is counted as an important factor, as it has an impact on consumer purchase intention (Belch & Belch, 2012). This study aimed to measure customer
brand perception and see if there is a connection between it and purchase intention. The authors had some questions to see how people perceive the chosen brands.

Kapferer & Valette-Florence (2016) differentiated the luxury brands from non luxury brands by the extent of what the brand stands for in the mind of consumers. In other words, how consumers perceive the brand as luxurious through many aspects such as wealth, social status, prestige, and achievement. The chosen questions were decided based on previous studies and how literature described luxury brands. The authors mixed all the variables that measure brand perception and took the mean. Findings show that (79.2%) of respondents are perceiving Rolex as a luxury brand and (58.4%) of respondents are perceiving Louis Vuitton as a luxury brand (Figure 5.2.2.1 and 5.2.2.2).

Followed by the brand awareness results, Rolex got higher numbers over Louis Vuitton, as customers perceive the brand as luxury. The level of agreement is variance between both brands as (79.2%) for Rolex is showing more agreement on the main idea of the brand, while (58.4%) for Louis Vuitton can be discussed as it is not a high number of agreements. The authors relate the difference again to the type of products, price and age segment that both brands have.

The gathered results showed that there is a connection between Rolex brand perception and purchase intention, and a connection between Louis Vuitton brand perception and purchase intention (table 5.2.1). The results showed that both hypotheses (H2a, and H2b) apply (Figure 3.1). As the majority of the sample are young generations that have low income, they might see that
Rolex’s expensive products that are difficult to maintain are more luxurious than Louis Vuitton’s expensive products that can be afforded easier.

Another factor that might have played a role in the results was the last question where the respondents were asked if they wanted to purchase other luxury products. Due to different levels of economy between countries, there was a variance in the type of product and brands that was seen or perceived as luxury. Examples can be, Michael Kors, Nike, Ralph Lauren, Hugo Boss, Calvin Klein and Tiffany & Co. This result helps to be certain that the respondents are perceiving both brands as luxurious brands, however there is a variance between the levels of luxuries and what is the attitude toward the brand.

6.3 Variance in Luxury Purchase Intention

Many variables that have been studied in this thesis are affecting the purchase intention, brand awareness and brand perception through decision making process (Keller, 1993; Belch and Belch, 2012). Also, purchase intention significantly influences by some dimensions of social media marketing such as entertainment, and word of mouth (Kim and Ko 2010).

Purchase intention refers to the willingness of buying the products in the future. The findings show that (67.2%) of respondents are not willing to purchase the products of Louis Vuitton in the future and (68%) are not willing to buy products from Rolex (Figure 5.2.3.1 and 5.2.3.2). This result could refer to the low income of the sample, 68.8% (86) gain between 1-30,000 US dollar per year, meaning the purchase power of 68.8% of the sample is weak, meanwhile the luxury brands' products are considered as expensive products (Heine, 2010).
A regression analysis has been conducted to test the effect of brand awareness and brand perception shows that brand awareness of Louis Vuitton has a significant effect on purchase intention (H1a) this result was supported by theories that brand awareness affects the decision of buying (Jacob & Mazursky, 1984). However, brand awareness of Rolex has no significant effect on purchase intention (H1b), this result could be referred to the demographic variances of the sample such as the purchase power of the majority of the sample.

On the other hand, brand luxury perception of Louis Vuitton has a significant effect on purchase intention (H2a) and brand luxury perception has a significant effect on purchase intention (H2b) (Table 5.2.1), this result was supported by theories that brand perception plays affect the decision making process (Belch & Belch, 2012), and increase the purchase intention (Ku & Lin, 2018). In other words, consumers who perceive the brand associations that the luxury brands create and linked in their mind tend to buy their products when they are searching for luxury brands.

6.4 Social media marketing activities

The authors intend to measure the five dimensions of social media marketing activities that are conducted in the official social media pages of Louis Vuitton and Rolex. Whereas a few respondents to the survey are actual followers to those brands on social media based on the control question “Do you follow those brands on any social media platforms?” and using the official logos of brands as banners, a total of 28 (22.4%) respondents are actual followers (Figure 5.3.1).

Due to the high usage of social media the results were against the author's expectations. The authors linked the unplanned data to the fact that the chosen brands are luxury brands, and the
majority of respondents were students or low income employees. The low number of respondents that follow the brands on social media prevented the authors from conducting a statistical analysis on the gathered data and test the third hypothesis (H3), meanwhile the authors had conducted a descriptive analysis instead (Table 5.3.1). The authors will refer to this segment of sample as “followers”.

Kim & Ko (2012) have emphasized on the significant role of social media marketing on the future profits of luxury fashion brands through enhancing the brand equity and providing a modern value to customers that the other traditional marketing communication tools can not provide. However, the findings of this thesis have indicated high brand awareness and high brand luxury perception for both brands Louis Vuitton and Rolex among the big sample (125 respondents), the authors could not refer this result to social media marketing activities of these brands due to the low number of the followers on social media (28 respondents), but it could be referred to other factors.

*Entertainment:* sharing an interesting content is an essential tool to grab follower’s attention, fulfilling the affective needs of the social media users, and make the use of social media as a fun experience (Athwal et al., 2018). On the other hand, entertainment has a big effect on purchase intention and by supplying entertainment content on social media strengthens the relation with consumers and increases intimacy (Kim & Ko, 2010).

The findings show that (75%) of the followers are considering the content on Louis Vuitton as interesting and using Louis Vuitton social media official pages is fun, while (30.7%) followers are considering Rolex’s content as interesting. At the same time (60.7%) of the followers somewhat
agree which means that followers are not sure about the entertainment content of Rolex or they are not following Rolex on social media (Figure 5.3.1.1 and 5.3.1.2).

*Interaction*: the communication in social media platforms is a two way flow of information where the brands and consumers in one hand and consumers-consumers in another are interacting. The availability of interactive options such as commenting, sharing, and reactions etc. is increasing the reliability of the brand and strengthening loyalty (Edosomwan et al., 2011).

The findings show that the followers of Louis Vuitton (30%) and Rolex (25%) are agreeing or strongly agreeing with the availability of sharing opinions and information through social media official pages. At the same time (39.3%) of Louis Vuitton followers are somewhat agreeing with the availability of interaction (Figure 5.3.2.1 and 5.3.2.2). This result was expected, in fact, luxury brands tend to protect their brand exclusive image by reducing the interaction with their consumers.

*Trendiness*: by keeping consumers up to date and providing them with new trends increases the trust in the brand. On the other hand, many consumers follow luxury brands to get inspiration especially in fashion brands (Muntinga et al., 2011). The findings show that (78.6%) of followers considered the content on Louis Vuitton social media pages trendy and (50%) of followers considered the content on Rolex social media trendy (Figure 5.3.3.1 and 5.3.3.2).

Furthermore, the survey has contained a multiple choice question about what is the reason behind the following brands on social media (15.2%) of respondents answer it to stay up to date, (16%)
to get inspirational ideas, (13.6%) looking for a new collection (figure Appendix 5). Which is provided by Liu et al. (2019) that consumers demand more up to date information about luxury brands on social media.

Customization: is the question to what extent the information search and service on social media can be customized or in other words to what extent the consumers feel special (Godey et al., 2016; Mangold & Faulds, 2009). The findings show that (32.1%) of followers are considering that Louis Vuitton service is customized, in fact, Louis Vuitton has many local pages are targeting specific geographical areas in twitter each shares the same content or picture but in specific language at the same time they tend to keep the formal language to protect their brand exclusivity (Athwal et al., 2018). The findings also show that (71.4%) of followers are somewhat agreeing with the customized services of Rolex in social media (Figure 5.3.4.1 and 5.3.4.2).

Word of mouth: the literature has confirmed that the conversation between consumers about the brand has a significant effect on purchase decision, all information and content that the consumers share in their private pages on social media with their friends about brands considered as word of mouth (Park et al., 2021).

The findings show (35.7%) of followers tend to share information about Louis Vuitton or pass along information on product, brand, and services on their personal pages. Also, there are (35.7%) of followers tend to do the same with Rolex (Figure 5.3.5.1 and 5.3.5.2). This result could indicate the low purchase intention among the followers. The authors assume this result as a consequence of the small sample and the few respondents that are actual followers to the brands under the research.
7 Conclusion

In conclusion, the main aim of this thesis is to investigate the outcomes of social media marketing activities used by luxury brands on the brands purchase intention. Luxury brands are considered as exclusivity and primum price, meaning it is targeting a special segment of customers, while social media is a mass communication tool that has been used to reach a broad segment of consumers. Due to the low number of respondents who are following the official pages on social media the authors were prevented from testing the social media related hypotheses. Meanwhile, brand awareness, brand luxury perception, and purchase intention variables have been measured.

The authors found out through the gathered data that consumers are aware about the brand and they perceive the brand as a luxury brand which is similar to the image that brand tries to build through using social media platforms. However, consumers were not only relying on the official home page of the brand to obtain information and make a purchase decision, but there are other sources for information such as influencers, celebrities, and rich people. In addition, the authors found variance in purchase intention that was affected by some differences between demographic categories such as gender, annual income, level of employment and age.
8 Further Research

As mentioned previously in the limitation section in the thesis is that the research question aimed directly on the luxurious brands main platform page on social media rather than other pages and sponsors of luxurious brands. The problem marketers and brands face today is that they cannot determine the whole effect of social media marketing activities, such as luxurious brands being indirectly marked by other public figures, VIP, royalty, influencers, pages that have luxurious content, etc. Therefore, future studies are needed to delimitate this problem.

Aiming to replicate results in a large, detailed scale on studying the effect of social media marketing activities presented not only on the home page of the brand but other pages. Other future studies could take into consideration the number of sales of luxurious brands with growing middle class and social media impact on society keeping in mind the global changes in international business and treaties arenas. The changing discourse and reception of luxurious brands has been changing due to social media and other factors. This is an issue for future research to explore that could contribute more understanding to our results.
9 References


Appendix

Survey Items

1. What gender do you identify as?
   - Female.
   - Male.
   - Prefer not to say.

   - 18-24
   - 25-36
   - 36-49
   - 50-56
   - 56+

   - List of countries.

4. What is the highest degree or level of education you have completed?
   - Primary (elementary) school.
   - Secondary school.
   - Associated degree <3 years.
   - Bachelor's degree.
   - Master’s degree
   - Doctoral degree.

5. What is your current employment status?
   - Full-time employment
   - Part-time employment
   - Voluntary unemployed.
   - Self-employed
   - Student
   - Retired.

6. What level of employment do you hold?
   - Entry level
   - Middle management
   - Senior management
   - I don't work

7. What is your annual income? (Salary per year).
   - 1-30k$
   - 30k-60k$
   - 60-100k$
8. Which platform do you account yourself with on a daily basis? More than one answer can be chosen.

- Twitter
- Instagram
- Snapchat
- Facebook
- Tiktok
- None
- Others: _______

9. How much time do you spend on social media per day?

- Less than 30 minutes
- 30 - 60 minutes
- 1 - 2 hours
- 2 - 3 hours
- + 3 hours
- I do not use social media

★ Please answer the following questions below based on a range of 1 to 5 (1=strongly disagree, 2=somewhat disagree, 3= Neither agree nor disagree, 4= somewhat agree, 5= strongly agree).

10. In this statement we want to study brand awareness for both brands (LV and Rolex) scale based on studies mentioned in the reference list at the end of this document.

- I know what this brand stands for.
- I have an opinion about these brands.
- I have heard of these brands.

11. Do you follow those brands on any Social Media platforms?

- Yes
- no

12. Why do you follow those brands?

- To get Inspirational ideas.
- looking for a new collection.
- To stay up to date to the trend.
- For fun.
- To see how rich people dress.
- Fashion student.
- Business student.
• Working purposes.
• Other purposes.

13. Why do you use social media instead of traditional printed magazines and newspapers to reach the brand?

• Chargeless/costless.
• Easy to reach.
• Environmental reasons.
• Interactive.
• Up-to-date info.
• I prefer traditional printed magazines.

★ Please answer the following questions below based on a range of 1 to 5 (1=strongly disagree, 2=somewhat disagree, 3= Neither agree nor disagree, 4= somewhat agree, 5= strongly agree)

14. In these statements we want to study luxury brand perception for both brands (LV & Rolex).

• (brand name) indicates a symbol of achievement.
• (brand name) indicates a symbol of wealth.
• (brand name) indicates a symbol of prestige.
• (brand name) indicates social status.
• (brand name) is a symbol of prestige.
• (brand name) is a symbol of luxury.

15. In these statements we want to study purchase intention for both brands (LV & Rolex).

• I obtained product information from the Social media page and have purchased the product.
• I obtained product information from the Social media page and immediately purchased the product.
• I obtained product information from Social media page and might purchase the product in the future.

16. Social media marketing activities measurement for both brands (LV & Rolex).

Entertainment:

• Using (Brand Name) social media is fun.
• Contents shown in (Brand Name) social media seem interesting.
Interaction:

- (Brand Name) social media enables information sharing with others.
- Conversation or opinion exchange with others is possible through (Brand Name) social media.
- It is easy to deliver my opinion through (Brand Name) social media.

Trendiness:

- Contents shown in (Brand Name) social media is the newest information.
- Using (Brand Name) social media is very trendy.

Customization:

- (Brand Name) social media offers customized information search.
- (Brand Name) social media provides customized service.

Word of mouth:

- I would like to pass along information on brand, product, or services from (Brand Name) social media to my friends.
- I would like to upload contents from (Brand Name) social media on my personal page.

Compare means tables

<table>
<thead>
<tr>
<th>What gender do you identify as?</th>
<th>LV_Purchase_intention</th>
<th>Rolex_Purchase_intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>Mean 2.24</td>
<td>2.18</td>
</tr>
<tr>
<td></td>
<td>N 74</td>
<td>74</td>
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<tr>
<td></td>
<td>Std. Deviation 1.214</td>
<td>1.275</td>
</tr>
<tr>
<td>Male</td>
<td>Mean 1.94</td>
<td>2.18</td>
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<td>N 51</td>
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<tr>
<td></td>
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<td>.953</td>
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<tr>
<td>Total</td>
<td>Mean 2.12</td>
<td>2.18</td>
</tr>
<tr>
<td></td>
<td>N 125</td>
<td>125</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation 1.112</td>
<td>1.150</td>
</tr>
</tbody>
</table>

Table (Appendix.1) Means tables LV purchase intention, Rolex purchase intention by Gender
### What is your age?

<table>
<thead>
<tr>
<th>Age Group</th>
<th>LV Purchase intention</th>
<th>Rolex Purchase intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>Mean: 1.87</td>
<td>Mean: 1.72</td>
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<tr>
<td></td>
<td>N: 39</td>
<td>N: 39</td>
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<tr>
<td></td>
<td>Std. Deviation: 1.105</td>
<td>Std. Deviation: .887</td>
</tr>
<tr>
<td>25-35</td>
<td>Mean: 2.36</td>
<td>Mean: 2.47</td>
</tr>
<tr>
<td></td>
<td>N: 58</td>
<td>N: 58</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.038</td>
<td>Std. Deviation: 1.217</td>
</tr>
<tr>
<td>36-49</td>
<td>Mean: 2.11</td>
<td>Mean: 2.28</td>
</tr>
<tr>
<td></td>
<td>N: 18</td>
<td>N: 18</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.323</td>
<td>Std. Deviation: 1.074</td>
</tr>
<tr>
<td>50-65</td>
<td>Mean: 1.70</td>
<td>Mean: 2.10</td>
</tr>
<tr>
<td></td>
<td>N: 10</td>
<td>N: 10</td>
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<tr>
<td></td>
<td>Std. Deviation: .949</td>
<td>Std. Deviation: 1.370</td>
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<td>Total</td>
<td>Mean: 2.12</td>
<td>Mean: 2.18</td>
</tr>
<tr>
<td></td>
<td>N: 125</td>
<td>N: 125</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.112</td>
<td>Std. Deviation: 1.150</td>
</tr>
</tbody>
</table>

*Table (Appendix.2) Means tables LV purchase intention, Rolex purchase intention by age*

### What is your annual income? (Salary per year)

<table>
<thead>
<tr>
<th>Income Group</th>
<th>LV Purchase intention</th>
<th>Rolex Purchase intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ 100,000 $</td>
<td>Mean: 1.60</td>
<td>Mean: 2.80</td>
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<tr>
<td></td>
<td>N: 5</td>
<td>N: 5</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: .894</td>
<td>Std. Deviation: 1.789</td>
</tr>
<tr>
<td>1 $ - 30,000 $</td>
<td>Mean: 2.17</td>
<td>Mean: 2.20</td>
</tr>
<tr>
<td></td>
<td>N: 86</td>
<td>N: 86</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.160</td>
<td>Std. Deviation: 1.176</td>
</tr>
<tr>
<td>30,000 $ - 60,000 $</td>
<td>Mean: 2.07</td>
<td>Mean: 2.00</td>
</tr>
<tr>
<td></td>
<td>N: 29</td>
<td>N: 29</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.100</td>
<td>Std. Deviation: 1.035</td>
</tr>
<tr>
<td>60,000 $ - 100,000 $</td>
<td>Mean: 2.00</td>
<td>Mean: 2.20</td>
</tr>
<tr>
<td></td>
<td>N: 5</td>
<td>N: 5</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: .000</td>
<td>Std. Deviation: .447</td>
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<tr>
<td>Total</td>
<td>Mean: 2.12</td>
<td>Mean: 2.18</td>
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<tr>
<td></td>
<td>N: 125</td>
<td>N: 125</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.112</td>
<td>Std. Deviation: 1.150</td>
</tr>
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</table>

*Table (Appendix.3) Means tables LV purchase intention, Rolex purchase intention by Annual income*
<table>
<thead>
<tr>
<th>Employment Level</th>
<th>LV_Purchase_intention</th>
<th>Rolex_Purchase_intention</th>
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</thead>
<tbody>
<tr>
<td>Entry level</td>
<td>Mean: 2.17</td>
<td>Mean: 2.10</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.035</td>
<td>Std. Deviation: 1.081</td>
</tr>
<tr>
<td>I don't work</td>
<td>Mean: 2.18</td>
<td>Mean: 2.29</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.270</td>
<td>Std. Deviation: 1.354</td>
</tr>
<tr>
<td>Middle management</td>
<td>Mean: 2.19</td>
<td>Mean: 2.12</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.120</td>
<td>Std. Deviation: 1.157</td>
</tr>
<tr>
<td>Senior management</td>
<td>Mean: 1.67</td>
<td>Mean: 2.20</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: .816</td>
<td>Std. Deviation: .775</td>
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<tr>
<td>Total</td>
<td>Mean: 2.12</td>
<td>Mean: 2.18</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation: 1.112</td>
<td>Std. Deviation: 1.150</td>
</tr>
</tbody>
</table>

Table (Appendix.4) Means tables LV purchase intention, Rolex purchase intention by employment level

Figure (Appendix.5) Why do you follow those brands?