

## **The Convergence of Social Networking, E-Retailing and Integrated Media: Opportunities for Luxury Marketers**

[Facebook](#) friend-ing. [Twitter](#) following. [LinkedIn](#) connecting. Blog postings. [YouTube](#) perusing. E-commerce purchasing. These social networking and integrated media tools have become a part of everyday life for people all over the world, both in their personal and professional lives. Although popular, one has to ponder whether we are really being social with this form of cyber communication. Is the utilization of these “social” mediums breaking down personal connections or is it creating introductions that would be otherwise nonexistent? Do these portals open doors for luxury marketers to be invited into their target market’s everyday lives or do they infringe on personal space? A panel of experts in social networking, e-retailing and luxury marketing assembled at the Luxury Marketing Council of Philadelphia’s program hosted by Cartier in the King of Prussia Mall to discuss the topics of and trends associated with social networking, e-retailing and integrated media.

Diane Lemonides, Chairwoman of the [Luxury Marketing Council of Philadelphia](#) shared statistics on how the shift in the economy affects shopping. Many consumers are either purchasing online or researching online before shopping in a retail location, as they may be spending more time at home. So if the buying patterns of consumers are changing with the economy, isn’t it important to look for new and cutting-edge ways to target them? Perhaps, but don’t forget the business basics: differentiate yourself from your competition and focus on the real life customer experience.

Martin Weinberg, Senior Account Manager at [E-City Interactive](#), gave a shining example of a business that has the basics perfected. [Zappos.com](#), the online shoe giant, differentiates itself from competitors by offering a commitment to excellent customer service with two-way free shipping and a 365-day return policy. Integrating the Zappos brand into social media outlets is just the icing on the cake. Even their CEO, Tony Hsieh, isn’t so [Atwitter about Twitter](#)! Weinberg reminds retailers that it’s not only the items that the luxury consumer’s want, it’s the end experience.

Take for instance the [King of Prussia Mall](#), the East Coast's premier shopping destination, which has a Facebook fan page with over 15,600 fans. Consumers love the experience of shopping at this behemoth mall with luxury retail locations, so they connect to the mall via a social medium to stay on top of trends and sales in order to feel like they are part of the experience, even if it's only in front of their computer. Panelist Patrick Champalou, store manager of [Cartier](#) at King of Prussia Mall shared that their store attracts guests from Ohio who visit the location just to purchase an engagement ring – that's approximately an 8-hour drive, one way! In the case of engagement rings and unique jewelry pieces, consumers may not purchase online because they want to experience the in-store purchase. That's where customers are perusing online but making their purchases at the store in order to engage in the experience; to see, touch and insert themselves into the brand intimacy.

Yes, it's confusing and conflicting. You need to decide whether social media is right for your brand and in reaching your target audience. The stats can't be ignored, though: there are 350 million active Facebook users and of those, 10 million are fanning pages each day. It's best to understand the nuances of these newfangled media outlets and the investment of time before diving head first into the social cyber ether.

Olivia Haist-Rabe, Founder of [Bespoke Media Group](#), gives examples of the benefits of social media in tracking ROI. Facebook and Twitter can provide direct ROI by using applications (or apps) as a utility. Think of these mediums as tools in your marketing toolbox. By offering clients promotions and contests, it's a great way to engage your online fan base and track responsiveness. Also, make your client base feel special and promote brand loyalty by offering exclusivity; e.g. hold an exclusive event for VIPs or provide a service which your clients can't buy like tickets to fashion shows or sporting events that are by invitation only. Luxury is about indulgence, so offer your clients a product, service or experience that is unique. One successful example of a promotion is [Burberry's 'Art of the Trench,'](#) a living celebration of the trench coat and the people who wear it. Burberry encourages clients to photograph themselves outside, wearing their Burberry trench coat and even categorize the submissions by gender, coat color, popularity and weather conditions. You can also connect to the site via Facebook – a cross-platform marketing endeavor. Another example is the offer for [free ice cream Starbucks promoted in the summer of 2009 via](#)

Facebook. The app allowed users to send coupons for free ice cream to friends or themselves via Facebook. Both of these companies can easily track how effective their brand promoting campaigns are by the number of customers who participate in their promotions. So if you are ready to try social media for your business, think about integrating a promotion or invitation, this will allow you can track the number of hits and RSVPs you receive to determine whether the time invested in social media marketing is worthwhile.

A fun way to understand social media and online networking is to think of it as a party. The social aspect is about connecting with your customers and trust is built over a period of time via small, fruitful encounters online. So, if you decide to integrate social media and e-retailing into your marketing plan, it's important not to lose sight of your brand identity. If you were socializing at a real, in-person party, you would always put your best foot forward and communicate your company's mission and services in a cohesive manner. It's the same concept for online networking. Whether you have a website with video and a blog or an online community via Facebook or Twitter, it's important to show a seamless transition from one to the other in regards to your brand. The best way to accomplish this is to get all parties involved in brand marketing on board early in the process. As the saying goes, "it takes a village," so encourage collaboration between your in-house marketing team, your agency, your video production company, your web developer and any other hands responsible for promoting brand awareness. Consistency and cohesion are key to communicating your brand identity to the cyber universe.

Have we got you thinking, "We've got to do something on Facebook;" but what? Don't just shoot from the hip. Rally your marketing team and partners to develop a social media plan that can be tracked. Decide what your corporate voice sounds like so that all blogging, Tweeting and posting are cohesive. Don't chatter; it devalues your brand. Share insightful information, industry news, trends and tips with your client base instead of letting them know that you just finished your third cup of coffee today. Treat your customers and fans to private events – parties, invitation only sales, etc. Remember, it's the exclusive experience that attracts the luxury consumer. This will also facilitate tracking for ROI. And if you are a business owner, decide whether you want to separate your personal and professional social networks – it's a decision that only you can make! So,

after weighing the pros and cons of social networking, e-retailing and integrated media, will your business exist in cyber space?

*Fearful of Facebook? Terrified of Tweeting? Contact Diane Lemonides, President of [Verve Marketing & Design](http://www.vervemarketinganddesign.com) for tips on dipping your toe in the virtual pool of social networking, e-retailing and integrated media at [dlemonides@vervemarketinganddesign.com](mailto:dlemonides@vervemarketinganddesign.com) or 610.358.2304.*