



Passavanti, R., Pantano, E., Priporas, C-V., & Verteramo, S.
(Accepted/In press). The use of new technologies for corporate
marketing communication in luxury retailing. *Qualitative Market
Research: An International Journal*.

Peer reviewed version

[Link to publication record in Explore Bristol Research](#)
PDF-document

University of Bristol - Explore Bristol Research

General rights

This document is made available in accordance with publisher policies. Please cite only the published version using the reference above. Full terms of use are available:
<http://www.bristol.ac.uk/red/research-policy/pure/user-guides/ebr-terms/>



The use of new technologies for corporate marketing communication in luxury retailing: Preliminary findings

Journal:	<i>Qualitative Market Research</i>
Manuscript ID	QMR-11-2017-0144.R4
Manuscript Type:	Research Paper
Keywords:	technology management, corporate marketing communication, brand communication, luxury retail, innovation management, case studies

SCHOLARONE™
Manuscripts

The use of new technologies for corporate marketing communication in luxury retailing: Preliminary findings

Abstract

Purpose- The aim of this paper is to explore the extent to which luxury brand retailers employ new technologies as a tool for corporate marketing communication.

Design/methodology/approach- We employed a multiple-case study consisting of five information-rich cases, with the similar characteristics of large firms selling luxury brands which are aware of the importance of innovation. In each company, we interviewed the key person in charge of marketing innovation strategies, and we collected data from annual reports, press releases, and direct observation of all the new technology categories used.

Findings- Our findings reveal that this sector is considerably aware of the benefits of using new media as a marketing communication tool, while the effective use of these new media is still limited.

Research limitations/implications- The study provides an empirical contribution to the emerging topic of innovation and technology management in retailing, with the emphasis being placed on the luxury sector through an in-depth investigation of the usage of new technologies by the firms studied.

Originality/value- This study is the first one investigating thoroughly the luxury sector usage of new technologies to improve corporate marketing communication.

Keywords Technology management; corporate marketing communication; brand communication; luxury retail; innovation management; case studies.

Paper type Research paper

1. Introduction

Continuous progress in information and communication technologies is dramatically changing the retail industry. In fact, the continuous availability of innovative systems is largely modifying the retail landscape (Inman and Nikolova, 2017; Pantano *et al.*, 2017; Willems *et al.*, 2017), in terms of: (i) providing entertainment experiences for consumers, while integrating leisure factors (Arnold and Reynolds 2003; Backstrom 2011; Dacko, 2017; Demirkan and Spohrer 2014; Johnson *et al.*, 2015; Jones 1999); (ii) consumer-retailer relationship building (Pantano, 2014); (iii) layout and atmosphere (Demirkan and Spohrer 2014; Pantano 2016; Poncin and Mimoun 2014); (iv) evolution of the physical point of sale (Pantano and Verteramo 2015); and (v) benefits for retailers (Alexander *et al.*, 2005; Evanschitzky *et al.*, 2015; Hagberg *et al.*, 2016; Hristov and Reynolds, 2015; Papagiannidis *et al.*, 2017; Tsai *et al.*, 2010). Pantano and colleagues (Pantano *et al.*, 2018; Pantano and Verteramo, 2015) referred to the three main technology categories which are dramatically changing retailing: social media, mobile technologies and in-stores systems (i.e. augmented reality).

More precisely, the luxury sector is largely recognized as one of the most profitable and rapidly growing sectors (Hennigs *et al.*, 2015). Despite the high level of recognition of luxury brands, the sector faces a huge challenge in creating a brand experience for consumers which can ensure that customers perceive the products to be worth their high price (Hennigs *et al.*, 2015; Tynan *et al.*, 2010). In fact, luxury consumption is mostly oriented towards experience compared to a purely conscious consumption (de Lassus and Freire, 2014). Similarly, the continuous growth in the luxury sectors highlights the continuous consumer search for emotional benefits (de Lassus and Freire, 2014). Although luxury-goods manufacturers have strongly resisted adopting the internet as a distribution channel and a huge percentage of them still do not sell online (Kluge and Fassnacht, 2015), new technologies might prove to be new and efficient tools for luxury retailers and brands.

1
2
3 A past study by Liu et al. (2013) also compared online and offline (in-store) luxury
4 buying behavior by unveiling the different consumer drivers: in the online context, consumer
5 motivation relies on price, convenience, product availability and online shopping attitude,
6 while in the offline context, consumers are more interested in/attracted by the aesthetic appeal,
7 the shopping experience, as well as the consumer in-store service. While other scholars have
8 argued that luxury brand managers should focus on experiential marketing strategies to better
9 promote the essence of the luxury product and emphasize it as a set of tangibles, physical and
10 interactive experiences that reinforce the perceived value (Wu *et al.*, 2015). For instance, at the
11 point of sale at a New York (US) store, Kate Spade introduced an interactive storefront to
12 increase pedestrian flow towards the store, while Moschino employed interactive mannequins
13 for LaRinascente department store in Milan, Italy (Pantano, 2016).
14
15
16
17
18
19
20
21
22
23
24
25
26
27

28 Furthermore, Boston Consulting Group highlighted the importance of adopting
29 omnichannel approaches in order to meet luxury consumers' demand, while social media
30 constitute the first source of information used by luxury consumers (BCG, 2018). To this end,
31 luxury retailers make some attempts to introduce new technologies so as to support the
32 communication with consumers. For instance, in an attempt to better interact with customers
33 certain retailers such as Ted Baker have adopted recent advances in artificial intelligence; one
34 such example is the online chatbot, which allows consumers to ask questions or advice on
35 specific topics (see Ted Baker page on Facebook). However, data on the success of this
36 technology and on consumers' willingness to interact with a clear robot are not available yet
37 due to the novelty of the technology.
38
39
40
41
42
43
44
45
46
47
48
49
50

51 Albeit new technologies provide a new shopping experience (Demirkan and Spohrer,
52 2014; Johnson *et al.*, 2015; Pantano, 2014), there is still a gap in the literature related to the
53 possible usage of new technologies for promoting corporate communication of luxury brands
54 (including online ones such as social media, and augmented reality ones like mobile tools and
55
56
57
58
59
60

1
2
3 new in-store technologies) (Pantano *et al.*, 2018). Furthermore, academic research associated
4 with the role of social media in luxury firms has received little attention and, thus, it remains
5 largely unexplored (Arrigo, 2018), contrary to Kapferer's (2014) claims that technology is still
6 one of the main drivers of change and disruption for luxury brands. Along similar lines, Ko et
7 al. (2017) call for more research on the luxury brand management domain and particularly to
8 social media marketing. **In contrast to this background**, the aim of this paper is to explore the
9 actual usage of new technologies as efficient tools for promoting luxury brands. More
10 specifically, this research aims at exploring what actions luxury retailers actually take, whether
11 what they actually do meets what they anticipated to do. Accordingly, the following research
12 question arises: How do luxury brand retailers employ new technologies as a tool for corporate
13 marketing communication? To answer this question, we made use of a multiple case study
14 methodology based on five case studies.

15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

The contribution of this research is threefold. Firstly, it extends our knowledge on luxury retailing, one of the most profitable marketing sectors (Joya *et al.*, 2014), where the literature is still under-investigated. Secondly, it offers valuable insights on the impact of new technologies on luxury retailing, where a lack of research is attested, despite the increasing number of studies on innovation for retailing (Demirkan and Spohrer, 2014; Evanschitzky *et al.*, 2015; Hagberg *et al.*, 2016; Hristov and Reynolds, 2014; Inman and Nikolova, 2017; Pantano, 2016; Papagiannidis *et al.*, 2017; Willems *et al.*, 2017). Thirdly, it may guide luxury brand retailers towards a better understanding of the role and /influence of new technologies to their corporate communication arsenal.

The remainder of this paper is organized as follows: the following section reviews the literature on the benefits of new technologies for corporate marketing communication, along with the usage of these systems within the luxury sector. Thereafter, the luxury companies involved in this study are analysed and the main insights of our research are provided. In the

1
2
3 concluding section, a case comparison is conducted and the implications for scholars and
4
5 practitioners are further discussed.
6
7
8
9

10 **2. Theoretical background**

11 *2.1 New technologies for corporate marketing communication*

12
13
14 The emergence of new media for communicating urges marketers to review their traditional
15 strategies and include in their practices new forms of personalization interaction and
16 consumers' data collection and management (Hearn *et al.*, 2009; Leeflang *et al.*, 2014; Troung
17 *et al.*, 2010). New technologies support corporate marketing communication by improving the
18 diffusion of the marketing messages and their subsequent effectiveness (Floreddu *et al.*, 2014;
19 Reilly and Hynan, 2014). For instance, social media offers a two-way communication channel
20 to firms for directly interacting with clients and stakeholders, by moving corporate
21 communication from a unidirectional to an interactive scenario (Hearn *et al.*, 2009; Floreddu
22 *et al.*, 2014; Kang *et al.*, 2014). More precisely, social media provide a virtual space where
23 consumers and firms co-create information and share opinion, establishing a kind of virtual
24 community which can foster trust, awareness and commitment towards a brand (Hsu 2012;
25 Kang *et al.*, 2014; Liu *et al.*, 2013; Tsimonis and Dimitriadis, 2014; Wu *et al.*, 2015).
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41

42 For instance, the increasing critical role of online communities is playing a critical role
43 for corporate impression formation and corporate image (Hallier *et al.*, 2014). In particular, the
44 corporate impression depends severely on corporate communication activities within these
45 online (virtual) communities, in terms of messages (exchanged), communication style, social
46 context cues, affiliation, perceived similarity, source credibility, as well as interpersonal
47 communication (Hallier *et al.*, 2014).
48
49
50
51
52
53
54

55 Online brand communities might emerge from both the firm sponsored activity, and the
56 user-generated initiative (e.g., Geurin and Burch, 2017; Wu *et al.*, 2015). In context, knowledge
57
58
59
60

1
2
3 sharing—with an emphasis placed on social networks platform—influences the pre-purchase
4 decision making developing a sense of community among members (Sloan *et al.*, 2015).
5
6 Therefore, consumers evaluate the brand's ability to handle and manage these online platforms.
7
8
9

10 For the above reasons, current research considers social media as one of the most
11 challenging and powerful force strengthening successful corporate marketing communication
12 (Leeflang *et al.*, 2014; Melewar and Nguyen, 2014). Social media also allow to the
13 organizations or brands flexibility to make modifications based on the current trends
14 (Lamberton and Stephen, 2016; Rana and Kumar, 2016). In addition, social media in the luxury
15 retailing setting can also influence positively customer intention to purchase a luxury brand
16 (Kim and Ko, 2012) or preference towards a luxurious brand (Godey *et al.*, 2016).
17
18
19
20
21
22
23
24
25

26 Similarly, the mobile scenario provides a new way of attracting new consumers and
27 increasing brand loyalty through apps/applications that provide instantaneous interaction (Jin,
28 2016). This allows consumers to perform several tasks such as searching, retrieving, comparing
29 products and stores, sharing information, having fun through entertaining content, etc., with all
30 these apps enhancing the brand experience (Kim *et al.*, 2015). The success of the afore-
31 mentioned apps relies on their portability and on how the information they provide can be
32 personalised. To put it plainly, the information provided can be accessed anytime, anywhere
33 according to consumers' requests, therefore creating value for consumers (Kim *et al.*, 2015).
34
35 Mobile services based on location awareness such as advertising text messages geolocalized
36 are particularly effective, especially when targeting the youngest population (Broeckelmann,
37 2010). However, despite the increasing use of brand apps, their usage as a persuasive
38 communication channel or loyalty building platform is under-investigated (Kim *et al.*, 2015).
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53

54 Moreover, firms might introduce new technologies directly at the physical point of sale
55 in order to improve service and enhance consumers' in-store experience. The atmospherics are
56 based on a combination of several factors able to support emotional effects in the purchasers,
57
58
59
60

rendering them able to communicate impressions of excitement, dynamism or relaxation (Hamrouni and Touzi, 2011). Emerging advanced technologies can be further integrated to enhance the consumer's experience, and to generate a feeling of comfort and pleasure that can ultimately/finally affect the purchase decision (Dacko, 2017).

The new technologies are usually interactive, offering user-friendly interfaces which consumers might browse to access more information on products, services, etc. through touch-screen displays (Demirkan and Spohrer, 2014; Pantano and Verteramo, 2015; Pantano and Viassone, 2015; Poncin and Mimoun, 2014). Several retailers are currently adopting these technologies, with some prominent ones being the make-up brand Clinique, which introduced interactive displays to enable consumers to find the best product for a certain type of skin, while the Dutch groceries Albert-Heijn introduced a portable RFID system for self-check-out.

Table 1 summarizes the studies most relevant to the application of new technologies towards improving corporate marketing communication.

Table 1. Studies focused on the employment of new technologies in corporate marketing communication.

Studies	Technology	Benefits
Hearn <i>et al.</i> , 2009; Leeflang <i>et al.</i> , 2014; Troung <i>et al.</i> , 2010	Interactive technologies	Personalized interaction and easier consumer data collection management
Floreddu <i>et al.</i> , 2014; Hearn <i>et al.</i> , 2009; Hsu 2012; Kang <i>et al.</i> , 2014; Leeflang <i>et al.</i> , 2014; Liu <i>et al.</i> , 2013; Melewar and Nguyen, 2014; Reilly and Hynan, 2014; Tsimonis and Dimitriadis, 2014; Wu <i>et al.</i> , 2015	Social Media	Improved diffusion of marketing messages, enabled two-way communication channel, fostered trust, awareness and commitment towards a brand

Geurin and Burch, 2017; Hallier <i>et al.</i> , 2014; Sloan <i>et al.</i> , 2015; Wu <i>et al.</i> , 2015	Online brand communities	Improved corporate impression formation and corporate image, supported knowledge sharing and the sense of community among members
Kim <i>et al.</i> , 2015; Jin, 2016	Mobile apps	Attracted more consumers, increased brand loyalty
Dacko, 2017	In-store mobile technologies	Enhanced consumer experience

2.2. Luxury sector

Luxury as a phenomenon is not new (Cristini *et al.*, 2017), and for centuries it has been playing a prominent role in the social and economic spheres of the society (Okonkwo, 2007). Although, luxury products and brands share some common major features that distinguish them from the other products and brands (Amatulli *et al.*, 2017), there is no universal acceptable definition of it (Amatulli *et al.*, 2017; Kastanakis and Balabanis, 2012; Wiedmann *et al.*, 2009). Relevant studies (Berthon, 2009; Cristini *et al.*, 2017; Fionda and Moore, 2009) show that the meaning of luxury is a complex and subjective depending on the context (individual, social and cultural). Moreover, the luxury market has changed dramatically the last two decades from a niche market to a booming market (Dion and Borraz, 2017) and it appears that it will continue to evolve due to targeting new markets and clientele (Kapferer and Valette-Florence, 2018).

The luxury market incorporates a number of diverse industries (automotive to apparel, jets, fashion accessories, and so on) entailing differences in the innovation orientation among the industries (Caniato *et al.*, 2011). Past studies demonstrate the extent to which people create an impression of others on the basis of the clothing brands they wear (e.g. Willems *et al.*, 2012). In this scenario, luxury usually evokes images of rich people with expensive cost of living, a sort of exclusive and inaccessible lifestyle (Kapferer, 2012). Literature (Han *et al.*, 2010; Thomas, 2007) highlights that luxury is more about what a brand represents, and not much

1
2
3 about what the product is. In fact, the consumption of luxury brands is driven by social
4 attributes such as self-expression and self-presentation, and by the need to exhibit social
5 standing (Bian and Forsythe, 2012; Willems *et al.*, 2012). Kapferer and Valette-Florence
6 (2018) assert that luxury value consists of two elements: luxury for the self (self- reward, self-
7 pampering, self-elevation) and luxury for others, which stems from the emotional pleasure of
8 flaunting prosperity. Therefore, luxury brands can be seen as a symbol of personal and social
9 identity (Tynan *et al.*, 2010), while it also exhibits characteristics such as premium quality,
10 heritage of craftsmanship, recognizable style, premium price, uniqueness (represented by the
11 intrinsic scarcity value), and global reputation (Bian and Forsythe, 2012).

12
13
14
15
16
17
18
19
20
21
22
23
24 The luxury value perception might change by assuming particular characteristics in
25 emerging markets (Chen and Lamberti, 2015; Liang *et al.*, 2017; Stiheler, 2016), while
26 maintaining the meanings of a self-concept expressive function (through helping them to
27 communicate who they are) and an adaptive social function (by rewarding them with social
28 acceptance). Also, the consumption of counterfeit luxury brands contributes to build the own
29 identity (Perez *et al.*, 2010; Priporas *et al.*, 2015). In particular, premium price, excellent
30 quality, distinctiveness, exclusivity, craftsmanship, power, fame, and hedonism emerge as the
31 most important factors characterizing the luxury brand (Barnier *et al.*, 2012; Fionda and
32 Morore, 2009; Keller, 2009). Furthermore, another crucial element in the luxury sector is the
33 high level of experience “luxury experience” (Amatulli *et al.*, 2017; Lee *et al.*, 2015). Atwal
34 and Williams (2009) point out that the marketing of luxury goods has become increasingly
35 complex, and it is not only about image, quality, performance, and authenticity, but also selling
36 an experience by relating it to the consumers’ lifestyle.

37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54 In summary, luxury brands offer a hedonic, multisensorial appeal and attract consumers
55 at an emotional level, in terms of the superior material, experience and symbolic value they
56 infuse into consumers (Dion and Arnould, 2011; Joya *et al.*, 2014). Therefore, the challenge
57
58
59
60

for luxury brands is to maintain the idea of privilege and exclusivity even as they diffuse and grow in popularity (Kapferer and Valette-Florence, 2018). Consequently, luxury retail relates to products that have an intangible value that outweighs the price of the product (Dion and Arnould, 2011). Therefore, these superior qualities have to emphasize the orientation of the individual consumer and the needs of luxury customers (Hennigs *et al.*, 2015). However, recent studies make some recommendations towards the improvement of online corporate marketing communication addressed to luxury retailers, aligned with the integration of more effective and interactive content (Athwal *et al.*, 2018; Pentina *et al.*, 2018; Yeoman and McMahon-Beattie, 2018). Table 2 summarizes those studies that relate most closely to the luxury sector.

Table 2. The studies most relevant to the luxury sector.

Studies	Findings
Cristini <i>et al.</i> , 2017; Okonkwo, 2007	Definition of luxury phenomenon and its impact on society
Amatulli <i>et al.</i> , 2017; Berthon, 2009; Bian and Forsythe, 2012; Cristini <i>et al.</i> , 2017; Fionda and Moore, 2009; Kapferer, 2012; Kastanakis and Balabanis, 2012; Wiedmann <i>et al.</i> , 2009; Willems <i>et al.</i> , 2012	Characteristics of luxury products and luxury meanings
Dion and Borraz, 2017; Kapferer and Valette-Florence, 2018	Luxury sector as a booming market in continuous evolution
Caniato <i>et al.</i> , 2011	Innovation orientation of luxury sector
Han <i>et al.</i> , 2010; Thomas, 2007; Tynan <i>et al.</i> , 2010	The role of brand in perception of luxury
Bian and Forsythe, 2012; Willems <i>et al.</i> , 2012	Luxury consumption
Chen and Lamberti, 2015; Liang <i>et al.</i> , 2017; Stiheler, 2016	Luxury value perception in emerging markets
Perez <i>et al.</i> , 2010; Priporas <i>et al.</i> , 2015	Consumption of counterfeit luxury brands

Dion and Arnould, 2011; Barnier <i>et al.</i> , 2012; Fionda and Morore, 2009; Joya <i>et al.</i> , 2014; Keller, 2009	Luxury brand characteristics
Amatulli <i>et al.</i> , 2017; Lee <i>et al.</i> , 2015	Luxury experience
Atwal and Williams, 2009; Athwal <i>et al.</i> , 2018; Kapferer and Valette-Florence, 2018; Pentina <i>et al.</i> , 2018; Yeoman and McMahon-Beattie, 2018	Challenges for luxury brands

3. Research Methodology

The current research study is exploratory in nature, as it aims to investigate a recent and emerging phenomenon which still requires more in-depth analysis. According to Saunders *et al.* (2015), exploratory studies look for new insights into yet unexplored charters. Hence, this research employed a multiple case study approach, so as to increase the robustness of the findings (Eisenhardt, 1989; Yin, 2014). Case studies are appropriate in order to provide responses in why and how questions for the phenomena being investigated (Yin, 2014), to bring rich data to light (Gerring, 2009) and are suited to capturing knowledge from practitioners (Bonoma, 1985; Kapoulas and Ratkovic, 2015; Pantano *et al.*, 2018). A case study is defined as “an empirical inquiry that investigates a contemporary phenomenon in depth and within its real-world context, especially when the boundaries between phenomenon and context are not clearly evident” (Yin, 2014, p.16). Such a method enables researchers to investigate in depth practice-based phenomena and events in their natural settings (Benbasat *et al.*, 1987), and allows to capture rich description of the context and enables holistic understanding (Saunders *et al.*, 2015).

3.1 Case study selection

In accordance with the literature (Eisenhardt, 1989; Patton, 1990; Silverman, 2000; Yin, 2014), a purposeful sampling of five different companies engaged in the selling of luxury goods for

private purposes was used in this research. This purposive selection of cases was accounted for the grounds of our study's objectives (Robinson, 2014). Specifically, we selected these companies based on the following specific sampling criteria: i) all these companies are large-sized (based on the sales volume), ii) their headquarters are in London, iii) they have at least one point of sale in Regent Street or Sloan Square in London (UK), and iv) they are aware of the importance of innovation in their retail activities (in other words with a digital or online marketing office/department, or an innovation office/department). Data was collected in December 2015. For each company, we evaluated the usage of new technologies as a tool to enhance corporate marketing communication. Table 3 lists case companies, considering the specific retail sector.

Table 3: Description of case data.

Case	Sector	Innovations used		
		Social media	Mobile	In-store technologies
Alfa	<i>fashion</i>	Twitter, Facebook, Pinterest, Instagram, Youtube, Google+	Not available,	Temporary interactive display
Beta	<i>fashion</i>	Twitter, Facebook, Pinterest, Instagram, Youtube	Not available,	Not available
Gamma	<i>fashion</i>	Twitter, Facebook, Pinterest, Instagram, Youtube, Google +	Not available	Interactive displays and smart mirror, RFID reader
Delta	<i>accessories</i>	Twitter, Facebook, Pinterest, Instagram, Youtube, Google+	Five different mobile apps	Not available
Epsilon	<i>private jets</i>	Twitter, Instagram, Google+)	Not available	Not available

3.2. Data collection

The data collection procedure included face-to-face semi-structured interviews with certain key people in charge of innovation or digital marketing strategies (Ellonen *et al.*, 2009, Kapoulas *et al.*, 2002). The interview data was triangulated with secondary data (consulting annual reports and observation of the effective integration of social media, mobile apps and pervasive technologies at the points of sale to get additional information) as the literature

1
2
3 suggests (Tellis, 1997; Yin, 2014). The interviews took place at the respondents' workplace
4 and lasted from 40 to 50 minutes. For confidentiality purposes, it had been agreed with the
5 respondents not to reveal their company's name, the respondents' identity, or the interviews'
6 context (Pantano *et al.*, 2018; Towers and Xu, 2016). Prior to the interviews, an email was sent
7 to the participants with a brief explanation of the research topic, the interview guide, and other
8 practical matters, so that they could be better prepared (Eriksson and Kovalainen, 2015).
9

10
11
12
13
14
15
16
17 The interview guide was prepared to ensure that important topics would be covered and
18 investigated given the time limit and resources, as well as to ensure cross-case comparability
19 of the data derived from different case luxury firms. The interviews aimed to achieve the deeper
20 perception of key managers of advanced technologies as powerful tool for the company's
21 communication strategies.
22
23
24
25
26
27

28
29 All discussions were recorded digitally and afterwards transcribed. Following the
30 interviews, in order to ensure validity, a copy of the data analyzed was disseminated to
31 interviewees so as to confirm their authenticity, whereas for reliability standards, a common
32 interview guide/set of interview questions was used (Moustakas, 1994). Also, all interviews
33 were performed by a single interviewer, while two other colleagues ran the independent coding
34 of the transcripts aiming to minimize the risk of potential bias (Lincoln and Guba, 1985; Strauss
35 and Corbin, 1998). A separate data analysis was initially conducted for each case company,
36 together with a cross-case analysis (search similarities, differences across the cases and in
37 contrast to theory) by adopting a thematic approach (Eriksson and Kovalainen, 2015) and, in
38 particular, the six phases recommended by Braun and Clarke (2006). More precisely, the
39 analysis was carried out by using an interpretative method to allow the researchers to acquire
40 a more complete and in depth-understanding of the data. The methodology employed by
41 researchers was Eisenhardt's (1989) within-case data analysis approach. The advantage of this
42 approach lies in the development of "detailed case study write-ups for each site" (Eisenhardt,
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

1
2
3 1989, p. 540). This allows the researchers to reflect on their data but also allows the validation
4 of the analysis by the interviewees. Finally, Eisenhardt (1989) mentions that the opportunity to
5 develop a rich familiarity with each case is provided by the process of theoretical replications.
6
7 As a result, a cross-case analysis of the data was conducted, aiming to compare and contrast
8 data across the firms, and particular attention was paid to emerging patterns (Miles and
9 Huberman, 1994).
10
11
12
13
14
15
16

17 In our attempt to analyze data, we have applied the qualitative and mixed methods data
18 analysis software MAXQDA, as it permits a smooth coding and examination of large text
19 segments or of other sources, for example videos or photos (Silver and Lewins, 2014).
20
21
22
23
24
25

26 **4. Findings**

27 **4.1 Alfa**

28 Alfa uses several social media sites, such as Twitter, Facebook, Pinterest, Instagram, and
29 Youtube, that presenting the actual products, the new collections, and the launch of ad hoc
30 events that present previews of new collections. We noted the extent of Alfa's interest in these
31 media as communication tools, with emphasis on Twitter and Facebook (which were the most
32 used), due to the large presence of tweets (Twitter) and posts (Facebook) for advertising
33 purposes (promoting products). Furthermore, Alfa tends to reply to users (followers) requests
34 (usually within 24 hours) and uses these media as a tool for communicating directly with
35 clients. The key informant stated:
36
37
38
39
40
41
42
43
44
45
46
47
48

49 "...customers constitute a valuable source of information for us, and we try to respect them in
50 our communication channels by responding to their comments and considering their views
51 towards improving our products, services as well as overall communication. In fact, we pay
52 much attention to the online channel, and especially to the social media. We offer to our
53 customers the opportunity to buy the newest, limited-edition products for a limited period
54 through Twitter".
55
56
57
58
59
60

1
2
3 In opposite, a mobile app is listed on play store and app store (for Android and Apple
4 platform respectively), but it cannot be actually accessed by users (this situation might create
5 confusion among potential users). In addition, for a limited period of time and only in a few
6 selected stores, Alfa has introduced some interactive touch screen displays, which consumer
7 may employ to access additional information on the available products (i.e. the best usage of
8 the products). The key informant underlined that:

9
10
11
12
13
14
15
16
17 "It would be great to incorporate some new technologies in our stores, but at the moment we
18 are exclusively focused on the e-commerce. We are planning to enhance the quality of our
19 online platform in the near future aiming to further satisfy our clients' needs, and this is why
20 we have established an office specifically devoted to this aspect. We don't intent to invest in
21 any other technology shortly."

22
23
24 Compared to the other three cases, Alfa makes considerable use of social media, does
25 not use mobile tools, and makes little use of in-store technologies as additional tools for
26 communicating about products and marketing strategies.
27
28
29
30
31
32

33 **4.2 Beta**

34
35 Compared with traditional media (such as magazines), Beta does not seem to prioritize the
36 development of strong social media strategies. In fact, it actually uses social media, particularly
37 Facebook and Twitter, only to present products. In fact, unlike other companies such as Alfa,
38 Beta usually does not comment on users' posts nor invite fans to share their experience with
39 the brand. Similarly, to date Beta has not developed a mobile app, nor tested any interactive
40 technologies within the points of sale. Therefore, Beta only makes moderate use of social media
41 and makes no use of mobile tools and interactive in-store technologies to improve brand
42 communication. The key informant accounted for this policy based on the change in the
43 company's focus:
44
45
46
47
48
49
50
51
52
53
54
55

56 "The company has a new business focus...apart from its products [luxury casual clothes and
57 accessories]... What we offer to our customers through social media in terms of information is
58 decent and we are planning to improve the communication with customers through social
59 media ... However, our brand carries a strong heritage that technology might not be able to
60

1
2
3 communicate at the best possible manner. We do not wish our brand to be associated with a
4 futuristic or innovative brand, since we are closely attached to our tradition, which we try to
5 communicate to our customers also through the “old-fashion” atmosphere in our stores”.

6 7 8 9 10 **4.3 Gamma**

11
12 Gamma makes considerable use of social media. It largely uses social media to communicate
13 about products and marketing initiatives through posts and videos. In comparison with the other
14 companies, Gamma uploads content more frequently, although it does not comment on users’
15 posts. Despite this interest, Gamma does not make use of its mobile channel, which does not
16 provide an app for consumers yet. Lastly, Gamma seems to be very active in adopting
17 technological solutions for enhancing point of sales. In fact, it offers several services through
18 interactive technologies (touch screen displays) which provide additional information on
19 products, etc. These new systems are aimed at presenting the brand in a technology-enriched
20 sensorial context that would improve the effectiveness of communication. To date, these
21 technologies have been successfully and have been permanently introduced in many stores
22 around Europe. In sum, we argue that Gamma makes considerable use of social media, makes
23 no use of mobile tools, and makes considerable use of in-store technologies for supporting
24 marketing communication. The key informant pointed out the following:

25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42 “... We have invested a lot in social media as a communication tool and we take our customers’
43 comments into serious consideration... As for the in-store technologies, customers like them
44 and, if I may, I can say that they enjoy using them.”

45 46 47 48 **4.4. Delta**

49
50 While Delta makes considerable use of social media, like the other companies under
51 investigation, it also has a considerable interest in the mobile channel in terms of mobile apps.
52 Unlike the others, Delta offers different (free) apps that provide several services which are able
53 to enhance both the usage of the products and the communication of the brand. The interviewee
54 has highlighted that:
55
56
57
58
59
60

1
2
3 "In the past, the company use to have five different apps... all of them being useless. Our
4 customers downloaded them, but they did not actually use them... So, I was hired six months
5 ago in order to solve this issue! Now we have only one [app], a great one, which does work!"
6

7
8 In fact, consumers might access additional information on the products (i.e. past and
9
10 actual products and collections) as well as exploit additional functionalities such as the virtual
11
12 'try on' (to virtually try the product before buying through the online measurements of size,
13
14 etc.). Despite this use of social and mobile media, Delta interest in adopting new technologies
15
16 at the physical point of sale is still under developed. In fact, Delta has not introduced or tested
17
18 any new technologies within the stores. For these reasons, we can argue that Delta makes
19
20 considerable use of mobile and social media but makes no use of in-store technologies.
21
22
23
24
25

26 **4.5 Epsilon**

27
28 To date, Epsilon has not made much effort to use online and offline technologies to improve
29
30 brand communication. Although it is present on social media, particularly on Twitter, it is not
31
32 very active. For instance, Instagram and Google+ are still little used, and have a limited number
33
34 of posts (including images and videos) and no posts at all respectively. Similarly, Epsilon
35
36 proposes a mobile app, which is available only for IOS, and which shows both additional
37
38 services for optimizing the usage of the products, and information about the products
39
40 characteristics (including the status of the order after the purchase). Epsilon did not show any
41
42 interest in adopting technologies for enhancing marketing and brand communication, although
43
44 it has started making its first steps towards this direction. As the key informant indicated:
45
46
47

48
49 "Moving a jet for exhibition is a huge cost, but we need to demonstrate to clients our services
50
51 in the most efficient way. In other words, they want to have an idea of how our jets look like
52
53 inside before affording the purchase. Aiming to reduce somehow our cost to some extent, we
54
55 started collaborating with a university and a research group so as to incorporate virtual reality
56
57 technologies to virtually show our jets. This would allow us to reduce the total cost, because
58
59 our showroom could host much many more virtual jets; this practice could be extended to cover
60
our need to exhibit as many jets as possible in commercial exhibitions and fairs outside our
premises. As a result, we would be able to better showcase our products without actually
moving a jet, while we could also invite people to touch them in our showroom"

We have analysed the firms' use of technologies above. All the firms studied introduced some kinds of innovation (social media, mobile apps and in-stores technologies). Despite this adoption, they use the different technologies in different ways. From this perspective, Gamma and Delta could be considered more focused on using new tools for communicating about the brand than Alfa, Beta and Epsilon are. Only Delta makes considerable use of mobile apps, while Epsilon makes little use of them and the remaining three make no use of them at all. Gamma makes considerable use of in-store technologies, Alfa makes little use of them, and Beta, Delta and Epsilon do not use in-store technologies at all. Table 4 summarizes the actual usage of innovation by each case company.

Table 4: Actual usage of innovation by five luxury retailers

Technology employed for corporate brand communication	Alfa	Beta	Gamma	Delta	Epsilon
Social media	strong	moderate	strong	strong	weak
Mobile	No usage	No usage	No usage	strong	weak
In-store technologies	weak	No usage	strong	No usage	No usage

5. Discussion and conclusion

The aim of this paper was to explore technology and innovation management in luxury retailing. We conducted a multiple-case study and built our analysis on qualitative data. In particular, this analysis revealed that the five companies are conscious of how social media, mobile apps, and in-store technologies can be powerful tools for marketing communication, particularly in terms of branding, even though they do not fully exploit these tools. In fact, none of them actually makes considerable use of the three types of new technologies (social media, mobile tools, and interactive in-store technologies). Correspondingly, while social media is the most used tool, mobile apps and in-store technologies receive limited attention from the luxury industry.

1
2
3 Since these companies are in the luxury sector, it is reasonable to assume that they have
4
5 enough financial resources to use new online and offline technologies to develop new
6
7 marketing strategies (Joya *et al.*, 2014; Hennings *et al.*, 2015). A reason for this lack of use
8
9 might be the absence of the kind of routines and processes needed to successfully use these
10
11 innovations as new marketing tools. Consequently, their marketing activities and outcomes are
12
13 still more related to traditional media. Another possible explanation might relate to their
14
15 internal understanding of the strengths and benefits of these technologies within a marketing
16
17 communication perspective.
18
19
20

21 Although consumption of luxury goods is associated with exclusivity (Kapferer, 2012),
22
23 there might emerge a contrast with the social networks that are perceived as an 'inclusive' place
24
25 where anyone can participate and contribute. However, our study shows that when the luxury
26
27 brand retailers exploit social media for marketing communications, consumers participate in
28
29 the social life (i.e. case study Alpha).
30
31
32

33 Current advances in technologies further provided new technologies able to enhance
34
35 consumers experience (Dacko, 2017), however these tools are not actually explored by the
36
37 luxury sector, which tend to be focused on more traditional tools. Thus, the exploitation of the
38
39 new technological tools for promoting marketing communication in luxury sector is still at an
40
41 early stage of development. Indeed, many studies have demonstrated the importance of
42
43 developing new forms of communication based on a successful explanation of how new media
44
45 (Hearn *et al.*, 2009; Troung *et al.*, 2010; Leeflang *et al.*, 2014) can improve corporate marketing
46
47 communication (Floreddu *et al.*, 2014; Reilly and Hynan, 2014), our study reveals that the
48
49 luxury sector is conscious of the benefits of using new media as a marketing communication
50
51 tool, even though the effective use of these new media is still limited. Moreover, our study
52
53 shows that even if there is an innovation force affecting the retail industry (Pantano, 2014;
54
55 Demirkan and Spohrer, 2014; Hristov and Reynolds, 2014; Evanschitzky *et al.*, 2015; Pantano,
56
57
58
59
60

2016; Inman and Nikolova, 2017; Willems *et al.*, 2017), this force only partially impacts luxury industry. This finding is in agreement with the literature which advocates that luxury firms have proved to be reluctant to adopt social media in their strategies (e.g. Kapferer and Bastien, 2012; Chevalier and Gutsatz, 2012), despite the fact that Godey *et al.* (2016) unveiled that social media marketing efforts can have a (real/great?) positive impact on brand awareness and brand image.

Furthermore, our study is in line with the findings of a recent study carried out by Pantano *et al.* (2018), as it reveals lack of innovation culture which largely affects the communication sector. For instance, some luxury companies such as Ted Baker are introducing online chatbot to increase the direct communication with client (see for instance “Ted Baker Seemore”), as the future application of Artificial Intelligence in marketing communication. However, the introduction of radical technologies like the chatbot requires additional capabilities to understand what type of communication clients want to have with the company and if the consumer wants an automatic system that totally replaces the human (representing the company) or prefers a system that supports the communication with a human (representing the company).

Finally, our study highlights that the consumers’ demand of new technologies, with an emphasis on communication tools, does not meet the luxury retailers’ offer of interactive technologies to improve marketing communication. A justification might lay in the lack of innovative culture, or in the need for superior capabilities to successfully manage smart technologies in terms of search, identification and integration. Also, another explanation could probably be the differences that exist across sectors in terms of product complexity and product fashionableness (Baker *et al.*, 2018).

In conclusion, by studying the use of new technologies for the needs of corporate marketing communication, this study advances our knowledge on their use by luxury brand

1
2
3 retailers. Also, the current findings add to the literature since there is a dearth of relevant
4
5 studies, while, on the other hand, the advancement of technology is continuous, rendering the
6
7 implementation of technologies in luxury retailing an emerging topic that is worth examining
8
9 in depth and breadth.
10

11
12 From a managerial point of view, our study carries a number of important implications.
13
14 There are opportunities and risks related to the integration of social media, mobile app and in-
15
16 store technologies in marketing practices. In fact, while past studies have demonstrated the low
17
18 cost of introducing the technologies (Pantano *et al.*, 2017), maintaining the technologies
19
20 requires investment and the technologies require frequent updating. For instance, the accounts
21
22 on social media would need to be continuously updated and a new position would need to be
23
24 created for this task in order to be able to collect information on consumer behavior (including
25
26 judgments, evaluations, experiences with the brand) and reply to customers' requests and
27
28 comments. The present analysis would advise luxury retailers on the possibility to better exploit
29
30 the new media as tool for promoting marketing communication while providing new brand
31
32 experiences. As so, they could create more sophisticated programs (Godey *et al.*, 2016),
33
34 especially with the co-creation and collaboration of customers (Arrigo, 2018), particularly
35
36 those coming for Generation Z, an important and challenging consumer segment for marketers
37
38 and retailers (Priporas *et al.*, 2017). Consumers from this generational cohort long for
39
40 experience and not material objects and they are digitally native as social media is part of their
41
42 everyday life (Kahn, 2018). Although past studies suggested that luxury retailers should launch
43
44 visual material of extremely high standards (Pentina *et al.*, 2018), combining the live and real-
45
46 time characteristics of media, such as Instagram and Facebook Live, with the products'
47
48 aesthetic appeal, our results show the still limited ability of luxury retailers to exploit the above
49
50 opportunities and follow these recommendations. Therefore, more effort is required to meet
51
52 the changeable need of consumers for novelty, novel content and new communication
53
54
55
56
57
58
59
60

1
2
3 channels. A solution might rely on further exploring the advances of artificial intelligence and
4
5 machine learning to create adaptable content and new forms of communication that combine
6
7 artificial and human intelligence. In line with Athwal's et al. (2018) work, an outstanding
8
9 promotional idea would be to exploit the real-time technical features of social media and
10
11 broadcast, in a live manner, fashion or other shows. Accordingly, luxury retailers might create
12
13 tailor-made emojis and branded-filters which consumers would be able to freely download or
14
15 add using luxury brand logos on their own social media pictures. This could offer a rich "online
16
17 branded experience", which might lead to a higher brand image, enhanced loyalty and,
18
19 ultimately, more purchases.
20
21
22
23
24
25

26 **6. Limitations and suggestions for future research**

27
28 Regardless of the interesting findings of this study, it is important to recognize its limitations,
29
30 which can be read as possible avenues for future research. Firstly, the current multiple-case
31
32 study aims to enhance understanding rather than focus on representativeness in terms of
33
34 population. Secondly, the data obtained from five cases reflecting different product categories
35
36 (fashion, accessories, private jets and related services) in the luxury industry. Thus, further
37
38 studies should focus on developing quantitative data to improve the generalizability of our
39
40 findings to other products contexts. Lastly, this study focuses solely on the adoption of new
41
42 media for corporate marketing communication. Forthcoming studies could build on the current
43
44 findings and might enrich them on how these media and technologies can be eventually used
45
46 to provide new consumers experiences, particularly 'smart' luxury experiences.
47
48
49
50
51
52

53 **References**

54
55 Alexander, A. (2008), "Format development and retail change: supermarket retailing and the
56
57 London Co-operative Society", *Business History*, Vol. 50 No. 4, pp. 489-508.
58
59
60

- 1
2
3 Amatulli, C., Natarajan, R., Capestro, M., Carvignese, M. and Guido, G. (2017), ““Service”
4 in luxury retailing in the twenty-first century: An exploratory look at the pleasure
5 boating sector”, *Psychology & Marketing*, Vol. 34 No. 5, pp. 569-579.
6
7
8
9
10 Arnolds, M.J. and Reynolds, K.E. (2003), “Hedonic shopping motivations”, *Journal of*
11 *Retailing*, Vol. 79 No.2, pp. 77-95.
12
13
14 Arrigo, E. (2018), “Social media marketing in luxury brands: A systematic literature review
15 and implications for management research” *Management Research Review*, Vol. 41
16 No. 6, pp. 657-679.
17
18
19
20
21 Athwal, N., Istanbuluoglu, D. and McCormack, S.E. (2018), “The allure of luxury brands’
22 social media activities: a uses and gratifications perspective”, *Information Technology*
23 *& People*. <https://doi.org/10.1108/ITP-01-2018-0017>
24
25
26
27
28 Baker, J., Ashill, N., Amer, N. and Diab, E. (2018), “The internet dilemma: An exploratory
29 study of luxury firms’ usage of internet-based technologies”, *Journal of Retailing and*
30 *Consumer Services*, Vol. 41, pp. 37-47.
31
32
33
34
35 Backstrom, K. (2011), “Shopping as leisure: an exploration of manifoldness and dynamics in
36 consumer shopping experiences”, *Journal of Retailing and Consumer Services*, Vol. 18
37 No. 3, pp. 200-209.
38
39
40
41
42 BCG. (2018), “The key trends for the luxury goods industry in 2018”, available at:
43 [https://www.bcg.com/d/press/20february2018-altagamma-true-luxury-global-](https://www.bcg.com/d/press/20february2018-altagamma-true-luxury-global-consumer-insight-184693)
44 [consumer-insight-184693](https://www.bcg.com/d/press/20february2018-altagamma-true-luxury-global-consumer-insight-184693) (accessed 7 August 2018).
45
46
47
48
49 Benbasat, I., Goldstein, D. K. and Mead, M. (1987), “The case research strategy in studies of
50 information systems”, *MIS Quarterly*, Vol. 11 No. 3, pp. 369-386.
51
52
53
54 Berthon, P., Ditt, L., Parent, M. and Berthon. J. (2009), “Aesthetics and ephemerality:
55 Observing and preserving the luxury brand”, *California Management Review*, Vol. 52
56 No. 1, pp. 445–465.
57
58
59
60

- 1
2
3 Bian, Q. and Forsythe, S. (2012), "Purchase intention for luxury brands: a cross cultural
4 comparison", *Journal of Business Research*, Vol. 65 No. 10, pp. 1443-1451.
5
6
7
8 Bonoma, T. V. (1985), "Case research in marketing: Opportunities, problems and a process",
9
10 *Journal of Marketing Research*, Vol. 22 No. 2, pp. 199–208.
11
12 Broeckelmann, P. (2010), "Exploring consumers' reactions towards innovative mobile
13 services", *Qualitative Market Research: An International Journal*, Vol. 13 No. 4, pp.
14 414-429.
15
16
17
18
19 Braun, V. and Clarke, V. (2006), "Using thematic analysis in psychology", *Qualitative*
20 *Research in Psychology*, Vol. 3, No. 2, pp. 77-101.
21
22
23
24 Caniato, F., Caridi, M., Castelli, C. and Golini, R. (2011), "Supply chain management in the
25 luxury industry: a first classification of companies and their strategies", *International*
26 *Journal of Production Economics*, Vol. 133 No. 2, pp. 622-633.
27
28
29
30 Chevalier, M. and Gutsatz, M. (2012), *Luxury Retail Management: How the World's Top*
31 *Brands Provide Quality Product and Service Support*, John Wiley & Sons, Singapore.
32
33
34
35 Chen, S. and Lamberti, L. (2015), "Entering the dragon's nest: exploring Chinese upper-class
36 consumers' perception of luxury", *Qualitative Market Research: An International*
37 *Journal*, Vol. 18 No. 1, pp.4-29.
38
39
40
41
42 Cristini, H., Kauppinen-Räsänen, H., Barthod-Prothade, M. and Woodside, A. (2017),
43
44 "Toward a general theory of luxury: Advancing from workbench definitions and
45 theoretical transformations", *Journal of Business Research*, Vol. 70, pp. 101–107
46
47
48
49 Dacko, S.G. (2017), "Enabling smart retail settings via mobile augmented reality shopping
50 apps", *Technological Forecasting and Social Change*, Vol. 124, pp. 243-256.
51
52
53
54 De Lassus, C. and Freire, N.A. (2014), "Access to the luxury brand myth in pop-up stores: a
55 netnographic and semiotic analysis", *Journal of Retailing and Consumer Services*, Vol.
56 21, pp. 61-68.
57
58
59
60

- 1
2
3 Demirkan, H. and Spohrer, J. (2014), “Developing a framework to improve virtual shopping
4 in digital malls with intelligent self-service systems”, *Journal of Retailing and*
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
- Demirkan, H. and Spohrer, J. (2014), “Developing a framework to improve virtual shopping in digital malls with intelligent self-service systems”, *Journal of Retailing and Consumer Services*, Vol. 21 No. 5, pp. 860–868.
- Dion, D. and Borraz, S. (2017), “Managing status: How luxury brands shape class subjectivities in the service encounter”, *Journal of Marketing*, Vol. 81 No. 5, pp. 67–85.
- Dion, D. and Arnould, E. (2011), “Retail luxury strategy: assembling charisma through art and magic”, *Journal of Retailing*, Vol. 87 No. 4, pp. 502-520.
- Eisenhardt, K.M. (1989), “Building theories from case study research”, *Academy of Management Review*, Vol. 14 No. 4, pp. 532-550.
- Ellonen, H. K., Wikström, P. and Jantunen, A. (2009), “Linking dynamic-capability portfolios and innovation outcomes”, *Technovation*, Vol. 29 No. 11, pp.753-762.
- Eriksson, P. and Kovalainen, A. (2015), *Qualitative Methods in Business Research: A Practical Guide to Social Research*, 2nd ed., Sage, London.
- Evanschitzky, H., Iyer, G. R., Kenning, P. and Schutte, R. (2015), “Consumer trial, continuous use, and economic benefits of a retail service innovation: the case of the personal shopping assistant”, *Journal of Product Innovation Management*, Vol. 31 No. 3, pp. 459-475.
- Fionda, A.M. and Moore, C.M. (2009), “The anatomy of the luxury fashion brand”, *Journal of Brand Management*, Vol. 16 No. 5-6, pp. 347–363.
- Floreddu, P.B., Cabiddu, F. and Evaristo, R. (2014), “Inside your social media ring: how to optimize online corporate reputation”, *Business Horizons*, Vol. 57 No. 6, pp. 737-745.
- Gerring, J. (2009), *Case Study Research: Principles and Practices*, Cambridge University Press, Cambridge.

- 1
2
3 Geurin, A.N. and Burch, L.M. (2017), "User-generated branding via social media: An
4 examination of six running brands", *Sport Management Review*, Vol. 20 No. 3, pp.
5 273-284.
6
7
8
9
10 Godey, B., Manthiou, A., Pederzoli, D., Rokka, J., Aiello, G., Donvito, R. and Singh, R.
11 (2016), "Social media marketing efforts of luxury brands: Influence on brand
12 equity and consumer behavior", *Journal of Business Research*, Vol. 69 No. 12, pp.
13 5833-5841.
14
15
16
17
18
19 Hagberg, J., Sundstrom, M. and Egels-Zandén, N. (2016), "The digitalization of retailing:
20 an exploratory framework", *International Journal of Retail & Distribution*
21 *Management*, Vol. 44 No. 7, pp.694-712.
22
23
24
25
26 Hallier, W.C., Nguyen, B., Melewar, T.C. and Dennis, C. (2014), "Corporate impression
27 formation in online communities: a qualitative study", *Qualitative Market Research:*
28 *An International Journal*, Vol. 17 No. 4, pp. 410-440.
29
30
31
32
33 Hamrouni, A.D. and Touzi, M. (2011), "Technique of collage for store design atmospherics",
34 *Qualitative Market Research: An International Journal*, Vol. 14 No. 3, pp. 304-323.
35
36
37
38 Han, Y. J., Nunes, J. and Drèze, X. (2010), "Signaling status with luxury goods: The role of
39 brand prominence", *Journal of Marketing*, Vol. 74 No. 4, pp.15–30.
40
41
42
43 Hearn, G., Foth, M. and Gray, H. (2009), "Applications and implementations of new media
44 incorporate communications", *Corporate Communications: An International Journal*,
45 Vol. 14 No. 1, pp. 49-61.
46
47
48
49 Hennigs, N., Wiedmann, K.-P., Klarmann, C. and Behrens, S. (2015), "The complexity of
50 value in the luxury industry", *International Journal of Retail & Distribution*
51 *Management*, Vol. 43 No. 10/11, pp. 922-939.
52
53
54
55
56
57
58
59
60

- 1
2
3 Hristov, L. and Reynolds, J. (2015), "Perception and practices of innovation in retailing:
4 challenges of definition and measurement", *International Journal of Retail &*
5
6 *Distribution Management*, Vol 43 No. 2, pp. 126-147.
7
8
9
10 Hsu, Y. (2012), "Facebook as international eMarketing strategy of Taiwan hotels",
11
12 *International Journal of Hospitality Management*, Vol. 31 No.3, pp. 972-980.
13
14
15 Inman, J.J. and Nikolova, H. (2017), "Shopper-facing retail technology: a retailer adoption
16 decision framework incorporating shopper attitudes and privacy concerns", *Journal of*
17
18 *Retailing*, Vol. 93 No. 1, pp. 7-28.
19
20
21
22 Jin, C.-H. (2016), "The effects of mental simulations, innovativeness on intention to adopt
23 brand application", *Computers in Human Behavior*, Vol. 54, pp. 682-690.
24
25
26
27 Johnson, K.K.P., Kim, H.-Y., Mun, J.-M. and Lee, J.Y. (2015), "Keeping customers shopping
28 in stores: interrelationships among store attributes, shopping enjoyment, and place
29 attachment", *The international Review of Retail, Distribution and Consumer Research*,
30
31 Vol. 25 No. 1, pp. 20-34.
32
33
34
35
36 Jones, M.A. (1999), "Entertaining shopping experiences: an exploratory investigation",
37
38 *Journal of Retailing and Consumer Services*, Vol. No. 3, pp. 129-139.
39
40
41
42 Joya, A., Wang, J.J., Chan, T.-S., Sherry, J.F. Jr. and Cui, G. (2014), "M(Art)Worlds: consumer
43 perception of how luxury brand stores become art institutions", *Journal of Retailing*,
44
45 Vol. 90 No. 3, pp. 347-364.
46
47
48
49 Kahn, B. E. (2018), *The Shopping Revolution: How Successful Retailers Win Customers in an*
50
51 *Era of Endless Disruption*, Wharton Digital Press, Philadelphia.
52
53
54
55 Kang, J., Tang, L. and Fiore, A.M. (2014), "Enhancing consumer-brand relationships on
56 restaurant Facebook fan pages: maximizing consumer benefits and increasing active
57 participation", *International Journal of Hospitality Management*, Vol. 36, pp. 145-155.
58
59
60

- 1
2
3 Kapferer, J. N. and Valette-Florence, P. (2018), “The impact of brand penetration and
4 awareness on luxury brand desirability: A cross country analysis of the relevance of the
5 rarity principle”, *Journal of Business Research*, Vol. 83, pp. 38-50.
6
7
8
9
10 Kapferer, J.-N. (2012), “Abundant rarity: the key to luxury growth”, *Business Horizons*, Vol.
11 55 No.5, pp. 453-462.
12
13
14 Kapferer, J. N. and Bastien, V. (2012), *The Luxury Strategy: Break the Rules of Marketing to*
15 *Build Luxury Brands*, 2nd ed., Kogan, London.
16
17
18
19 Kapoulas, A., Murphy, W. and Ellis, N. (2002), “Say hello, wave goodbye: Missed
20 opportunities for electronic relationship marketing with the financial services sector”,
21
22 *International Journal of Bank Marketing*, Vol. 20 No. 7, pp.302-313.
23
24
25
26 Kapoulas, A. and Ratković, D. (2015), “E-CRM dilemmas in developing markets: The case of
27 a tourism company in Serbia”, *European Journal of Tourism Research*, Vol. 9, pp. 24–
28 40
29
30
31
32
33 Kastanakis, M. N., and Balabanis, G. (2012), “Between the mass and the class: Antecedents of
34 the “bandwagon” luxury consumption behavior”, *Journal of Business Research*, Vol.
35 65 No. 10, pp.1399–1407.
36
37
38
39
40 Keller, K.L. (2009), “Managing the growth tradeoff: challenges and opportunities in luxury
41 branding”, *Journal of Brand Management*, Vol. 16 No. 5–6, pp. 290-301.
42
43
44
45 Kim, S.J., Wang, R.J.-H. and Malthouse, E.C. (2015), “The effects of adopting and using a
46 brand's mobile application on customers' subsequent purchase behavior”, *Journal of*
47 *Interactive Marketing*, Vol. 31, pp. 28-41.
48
49
50
51 Kim, A.J. and Ko, E. (2012), “Do social media marketing activities enhance customer equity?
52 An empirical study of luxury fashion brand”, *Journal of Business Research*, Vol. 65
53 No. 10, pp. 1480–1486.
54
55
56
57
58
59
60

- 1
2
3 Kluge, P.N. and Fassnacht, M. (2015), "Selling luxury goods online: effects of online
4 accessibility and price display", *International Journal of Retail & Distribution*
5
6
7
8
9
10
11 Ko, E., Costello, J.P. and Taylor, C.R. (2017), "What is a luxury brand? A new definition and
12 review of the literature", *Journal of Business Research*, [http://dx.doi.org/10.1016/](http://dx.doi.org/10.1016/j.jbusres.2017.08.023)
13
14
15
16
17 Lambertson, C. and Stephen, A.T. (2016), "A thematic exploration of digital, social media, and
18 mobile marketing: research evolution from 2000 to 2015 and an agenda for future
19 inquiry", *Journal of Marketing*, Vol. 80 No. 6, pp.146-172
20
21
22
23
24 Lee, M., Ko, E., Lee, S. and Kim, K. (2015), "Understanding luxury disposition", *Psychology*
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
- Lee, M., Ko, E., Lee, S. and Kim, K. (2015), "Understanding luxury disposition", *Psychology & Marketing*, Vol. 32 No. 4, pp. 467–480.
- Leeftang, P.S.H., Verhoef, P.C., Dahlstrom, P. and Freundt, T. (2014), "Challenges and solutions for marketing in a digital era", *European Management Journal*, Vol. 32 No. 1, pp. 1-12.
- Liang, Y., Ghosh, S. and Oe, H. (2017), "Chinese consumers' luxury value perceptions – a conceptual model", *Qualitative Market Research: An International Journal*, Vol. 20 No. 2, pp. 247-262.
- Lincoln, Y.S. and Guba, E. (1985), *Naturalistic Inquiry*, Sage Publications, Beverly Hills, CA.
- Liu, X., Burns, A.C. and Hou, Y. (2013), "Comparing online and in-store shopping behavior towards luxury goods", *International Journal of Retail & Distribution Management*, Vol. 41 No. 11/12, pp. 885-900.
- Melewar, T.C. and Nguyen, B. (2014), "Five areas to advance branding theory and practice", *Journal of Brand Management*, Vol. 21 No. 9, pp. 758-769.
- Miles, M.B. and Huberman, A.M. (1994), *Qualitative Data Analysis: An Expanded Sourcebook*, 2nd ed., Sage, Thousand Oaks, CA.

- 1
2
3 Moustakas, C. (1994), *Phenomenological Research Methods*, Sage, Thousand Oaks, CA.
4
5 Okonkwo, U. (2007), *Luxury Fashion Branding: Trends, Tactics, Techniques*, Palgrave
6
7 Macmillan, Basingstoke, UK.
8
9
10 Pantano, E., Passavanti, R., Priporas, C. V. and Verteramo, S. (2018), “To what extent luxury
11
12 retailing can be smart?”, *Journal of Retailing and Consumer Services*, Vol. 43, pp. 94-
13
14 100.
15
16
17 Pantano, E., Priporas, C.V., Sorace, S. and Iazzolino, G. (2017), “Does the innovation-
18
19 orientation lead to retail industry growth? Empirical evidence from patent
20
21 analysis”, *Journal of Retailing and Consumer Services*, Vol. 34, pp. 88-94.
22
23
24 Pantano, E. (2016), “Engaging consumer through storefront: evidences from integrating
25
26 interactive technologies”, *Journal of Retailing and Consumer Services*, Vol. 28, pp.
27
28 149-154.
29
30
31 Pantano, E., and Verteramo S. (2015), “Placeless store of Ubiquitous stores?”, in *Proceedings*
32
33 *of the 12th International Conference on e-Business*, Colmar, pp. 173-178.
34
35
36 Papagiannidis, S., Bourlakis, M., Alamanos, E. and Dennis, C. (2017), “Preferences of smart
37
38 shopping channels and their impact on perceived wellbeing and social inclusion”,
39
40 *Computers in Human Behavior*, Vol. 77, pp.396-405.
41
42
43 Patton, M.Q. (1990), *Qualitative Evaluation and Research Methods*, 2nd ed., Sage, Newbury
44
45 Park, CA
46
47 Perez, M.E., Castaño, R. and Quintanilla, C. (2010), “Constructing identity through the
48
49 consumption of counterfeit luxury goods”, *Qualitative Market Research: An*
50
51 *International Journal*, Vol. 13 No. 3, pp. 219-235.
52
53
54 Pentina, I., Guilloux, V. and Micu, A.C. (2018), “Exploring social media engagement
55
56 behaviors in the context of luxury brands”, *Journal of Advertising*, Vol. 47 No. 1, pp.
57
58 55-69.
59
60

- 1
2
3 Poncin, I. and Mimoun, M.S.B. (2014), "The impact of "e-atmospherics" on physical stores",
4
5 *Journal of Retailing and Consumer Services*, Vol. 21 No. 5, pp. 851-859.
6
7
8 Priporas, C.V., Stylos, N. and Fotiadis, A.K. (2017), "Generation Z consumers' expectations
9
10 of interactions in smart retailing: A future agenda", *Computers in Human Behavior*,
11
12 Vol. 77, pp. 374-381.
13
14 Priporas, C.V., Kamenidou, I., Kapoulas, A., and Papadopoulou, F.M. (2015), "Counterfeit
15
16 purchase typologies during an economic crisis", *European Business Review*, Vol. 27
17
18 No. 1, pp.2-16.
19
20
21 Rana, K. S. and Kumar, A. (2016), "Social media marketing: opportunities and challenges",
22
23 *Journal of Commerce and Trade*, Vol. 11 No. 1, pp. 45-49.
24
25
26 Reilly, A.H., and Hynan, K.A. (2014), "Corporate communication, sustainability, and social
27
28 media: It's not easy (really) being green", *Business Horizons*, Vol. 57 No. 6, pp. 747-
29
30 758.
31
32
33 Robinson, O.C. (2014), "Sampling in interview-based qualitative research: a theoretical and
34
35 practical guide", *Qualitative Research in Psychology*, Vol. 11 No. 1, pp. 25-41.
36
37
38 Saunders, M., Lewis, P. and Thornhill, A. (2015), *Research Methods for Business Students*,
39
40 7th ed., Pearson, Harlow.
41
42 Silver, C. and Lewins, A. (2014), *Using software in Qualitative Research. A Step-by-Step*
43
44 *Guide*, 2nd ed., Sage, London.
45
46
47 Silverman, D. (2000), "Analyzing talk and text", in Denzin, N.K., Lincoln, Y.S., (Eds.),
48
49 *Handbook of Qualitative Research*, Sage, Thousand Oaks CA, pp. 821-834.
50
51
52 Sloan, S., Bodey, K. and Gyrd-Jones, R. (2015), "Knowledge sharing in online brand
53
54 communities", *Qualitative Market Research: An International Journal*, Vol. 18 No. 3,
55
56 pp. 320-345.
57
58
59
60

- 1
2
3 Strauss, A. and Corbin, J. (1998), *Basics of Qualitative Research*, 2nd ed., Sage Publications,
4
5 Newbury Park, CT.
6
7
8 Tellis, W. (1997), “Application of a case study methodology”, *The Qualitative Report*, Vol. 3
9
10 No. 3, pp. 1-19.
11
12 Thomas, D. (2007), *Deluxe: How Luxury Lost its Luster*, Penguin Press, New York, NJ.
13
14 Towers, N. and Xu, K. (2016), “The influence of guanxi on physical distribution service
15
16 quality availability in e-commerce sourcing fashion garments from China”, *Journal of*
17
18 *Retailing and Consumer Services*, Vol. 28, pp. 126–136
19
20
21 Troung, Y., McColl, R. and Kitchen, P. (2010), “Practitioners’ perception of advertising
22
23 strategies for digital media”, *International Journal of Advertising: The Review of*
24
25 *Marketing Communications*, Vol 29 No. 5, pp. 709-725.
26
27
28 Tsai, M.-C., Lee, W. and Wu, H.-C. (2010), “Determinants of RFID adoption intention:
29
30 evidence from Taiwanese retail chains.”, *Information and Management*, Vol. 47 No. 5-
31
32 6, pp. 255-261.
33
34
35 Tsimonis, G. and Dimitriadis, S. (2014), “Brand strategies in social media”, *Marketing*
36
37 *Intelligence & Planning*, Vol. 32 No. 3, pp. 328-344.
38
39
40 Tynan, C., McKechnie, S. and Chhuon, C. (2010), “Co-creating value for luxury brands”,
41
42 *Journal of Business Research*, Vol. 63 No. 11, pp. 1156-1163.
43
44
45 Wiedmann, K., Hennings, N. and Siebels, A. (2009), “Value based segmentation of luxury
46
47 consumption behavior”, *Psychology & Marketing*, Vol. 26 No. 7, pp. 625–651.
48
49
50 Willems, K., Janssens, W., Swinnen, G., Brengman, M., Streukens, S. and Vancauteran, M.
51
52 (2012), “From Armani to Zara: impression formation based on fashion store
53
54 patronage”, *Journal of Business Research*, Vol. 65 No. 10, pp. 1487-1494.
55
56
57
58
59
60

- 1
2
3 Willems, K., Smolders, A., Brengman, M., Luyten, K. and Schoning, J. (2017), "The path-to-
4 purchase is paved with digital opportunities: an inventory of shopper-oriented retail
5 technologies", *Technological Forecasting and Social Change*, Vol. 124, pp. 228-242.
6
7
8
9
10 Wu, J., Huang, L., Zhao, J. L. and Hua, Z. (2015), "The deeper, the better? Effect of online
11 brand community activity on customer purchase frequency", *Information &
12 Management*, Vo. 52 No. 7, pp. 813-823.
13
14
15
16
17 Wu, M.-S.S., Chaney, I., Chen, C.-H.S., Nguyen, B. and Melewar, T.C. (2015), "Luxury
18 fashion brands: factors influencing young female consumers' luxury fashion
19 purchasing in Taiwan", *Qualitative Market Research: An International Journal*, Vol.
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
- Yeoman, I. and McMahon-Beattie, U. (2018), "The future of luxury: mega drivers, new faces
and scenarios", *Journal of Revenue and Pricing Management*, Vol. 17 No. 4, pp. 204-
217.
- Yin, R.K. (2014), *Case Study Design and Research: Design and Methods*, 5th ed. Sage
Publications, Thousand Oaks, CA.

We would like to thank the Reviewer for the detailed comments and suggestions provided. Please see our responses below, in which we have addressed the comments point-by-point.

Dear author(s)

This is a well written and executed paper on a topical research area. However, it is recommended that the authors address the following:

- 1) The motivation for this study in the Introduction is not strong enough. Be bolder about why we should care about this and what the gap is in the literature. My chief concern is that the originality of the paper is not clear. The introduction section is confusing; please follow below
 1. Establish the importance of research.
 2. Establish a theory based gap.
 3. Research question.
 4. Contribution.
 5. Paper structure.

Thank you for your valuable comment. We have re-organized the introduction section.

- 2) When referring to "Previous studies", add more than 3 citations.

Thank you for your suggestion. We have corrected that. The sentence now starts with "A past study by Liu et al. (2013)..." (p.3).

- 3) It is suggested to not refer to the conference proceedings such as "...Ubiquitous stores?", in Proceedings of the 12th International Conference on e-Business...
Sharpen the key focus of this research

Thank you for your suggestion. We have added another reference and now it reads as follows "Pantano and colleagues (Pantano et al., 2018; Pantano and Verteramo, 2015) referred to the three main..."(p.2).

- 4) What is the key theoretical contribution of this study? Please improve.

Thank you for your valuable comments. On p. 4, we have explicitly discussed the theoretical contributions. "The contribution of this research is threefold. Firstly, it extends our knowledge on luxury retailing, one of the most profitable marketing sectors (Joya et al., 2014), where the literature is still under-investigated. Secondly, it offers valuable insights on the impact of new technologies on luxury retailing, where a lack of research is attested, despite the increasing number of studies on innovation for retailing (Demirkan and Spohrer, 2014; Evanschitzky et al., 2015; Hagberg et al., 2016; Hristov and Reynolds, 2014; Inman and Nikolova, 2017; Pantano, 2016; Papagiannidis et al., 2017; Willems et al., 2017). Thirdly, it may guide luxury brand retailers towards a better understanding of the role and /influence of new technologies to their corporate communication arsenal."

- 5) The literature review is weak and significant works are ignored.

Thank you for your comment. However, in our literature review section for the luxury retailing we have used the significant works by Bian and Forsythe (2012); Dion and Arnould, (2011); Fionda and Moore (2009); Kapferer and Bastien (2012); Kastanakis and Balabanis (2012); Okonkwo (2007); Thomas (2007); Wiedmann et al., 2009.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

Furthermore, we have included some of the newest studies such as Amatulli et al. (2017); Arrigo (2018); Dion and Borraz (2017); Godey et al. (2016); Kapferer et al. (2018); Pantano et al. (2018); Pentina et al. (2018); Yeoman and McMahon-Beattie (2018).

- 6) Methodology section mainly is the paper's argument built on an appropriate base of theory, concepts, or other ideas, require more focused. The method and methodology employed should be explained and correctly interpreted.

Thank you for your comment. As we used the multiple case methodology we followed the relevant literature. Furthermore, we have added more clarifications throughout the methodology section.

- 7) Better to add the key points of the interview, how analysed the data, and what specific analysis tools have you used

Thank you for your comment. We have added the following on p.12. "A separate data analysis was initially conducted for each case company, together with a cross-case analysis (search similarities, differences across the cases and in contrast to theory) by adopting a thematic approach (Eriksson and Kovalainen, 2015) and, in particular, the six phases recommended by Braun and Clarke (2006). More precisely, the analysis was carried out by using an interpretative method to allow the researchers to acquire a more complete and in depth-understanding of the data. The methodology employed by researchers was Eisenhardt's (1989) within-case data analysis approach. The advantage of this approach lies in the development of "detailed case study write-ups for each site" (Eisenhardt, 1989, p. 540). This allows the researchers to reflect on their data but also allows the validation of the analysis by the interviewees. Finally, Eisenhardt (1989) mentions that the opportunity to develop a rich familiarity with each case is provided by the process of theoretical replications. As a result, a cross-case analysis of the data was conducted, aiming to compare and contrast data across the firms, and particular attention was paid to emerging patterns (Miles and Huberman, 1994).

In our attempt to analyze data, we have applied the qualitative and mixed methods data analysis software MAXQDA, as it permits a smooth coding and examination of large text segments or of other sources, for example videos or photos (Silver and Lewins, 2014).

- 8) Please summarise the most related papers in the filed in a table

Thank you for your suggestion. We have added two tables in the literature section

- 9) Please make some linkage between the paragraphs.

Thank you for your comment. We have corrected them through copy editing.

- 10) The stages of analysing and results are not clear to the readers.

Thank you for your comment. On p.12 we have added the following paragraph which explains the data analysis process. "A separate data analysis was initially conducted for each case company, together with a cross-case analysis (search similarities, differences across the cases and in contrast to theory) by adopting a thematic approach (Eriksson and Kovalainen, 2015) and, in particular, the six phases recommended by Braun and Clarke (2006). More precisely, the analysis was carried out by using an interpretative method to allow the researchers to

1
2
3 acquire a more complete and in depth-understanding of the data. The methodology
4 employed by researchers was Eisenhardt's (1989) within-case data analysis approach. The
5 advantage of this approach lies in the development of "detailed case study write-ups for each
6 site" (Eisenhardt, 1989, p. 540). This allows the researchers to reflect on their data but also
7 allows the validation of the analysis by the interviewees. Finally, Eisenhardt (1989) mentions
8 that the opportunity to develop a rich familiarity with each case is provided by the process of
9 theoretical replications. As a result, a cross-case analysis of the data was conducted, aiming
10 to compare and contrast data across the firms, and particular attention was paid to emerging
11 patterns (Miles and Huberman, 1994).
12
13
14
15
16

17 11) The findings of the study should reflect the research objective.

18 Thank you for your comment. The aim of the paper is to explore the extent to which luxury
19 brand retailers employ new technologies as a tool for corporate marketing communication.
20 The current findings reflect the essence of the research aim.
21
22

23 12) Please strengthen the section on managerial implications and the key theoretical
24 contribution of this study

25 Thank you for your comment. We have added some more support on theoretical implications
26 (p.19)
27
28

29 This finding is in agreement with the literature which advocates that luxury firms have
30 proved to be reluctant to adopt social media in their strategies (e.g. Kapferer and Bastien,
31 2012; Chevalier and Gutsatz, 2012), despite the fact that Godey et al. (2016) unveiled that
32 social media marketing efforts can have a (real/great?) positive impact on brand awareness
33 and brand image.
34
35

36 On pp. 19-20, we have added "Also, another explanation could probably be the differences
37 that exist across sectors in terms of product complexity and product fashionableness (Baker
38 at al., 2018). In conclusion, by studying the use of new technologies for the needs of corporate
39 marketing communication, this study advances our knowledge on their use by luxury brand
40 retailers. Also, the current findings add to the literature since there is a dearth of relevant
41 studies, while, on the other hand, the advancement of technology is continuous, rendering
42 the implementation of technologies in luxury retailing an emerging topic that is worth
43 examining in depth and breadth."
44
45
46
47

48 The theoretical and managerial implications are discussed on pp. 17-20.
49
50

51 13) Recommended a copy-editing before re-submission

52 Thank you for your comment. A professional copy editing has been made.
53
54
55
56
57
58
59
60