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To examine the relationships that Irish Millennial consumers have with luxury brands and whether social media creates a greater emotional connection and influences purchase decisions.

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Abstract

This research was conducted in order to examine the relationships that Irish Millennial consumers have with luxury brands and whether social media creates a greater emotional connection and influences purchase decisions. This was done through answering three objectives the first being to understand the role that the recession has played in the changing face of the luxury brand consumer. This objective was needed to address if consumer purchase behaviour for luxury brands had been affected since the recession, as the literature had conflicting views on this. The second objective was to understand consumer's relationship with luxury brands. It was important for the researcher to have an understanding of what it is that connects Irish consumer to luxury brands in such a competitive marketplace. The third objective was to examine role that social media plays in creating value for luxury brands. As the overall question of this research was related to social media, and addressing if it created a greater connection and influenced purchase decisions, this objective was paramount.

This research was carried out using qualitative interviews with consumers and industry experts. The sample of Irish Millennial consumers was chosen due to the literature available on luxury branding and pre-recession purchasing. This research found that in terms of social media for luxury brands, Irish consumers used it as merely an information source, it did not create any greater emotional connection to luxury brands nor did it influence their purchase decisions. The consumers and industry experts questioned were consistent in that for luxury brands in Ireland in store purchase prevails over online and the experience of buying is vital. With so many brands both luxury and non-luxury investing time and resources into having a strong social media presence this research was important to address social media and luxury brands in an Irish environment.

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I would like to give special acknowledgements to my Aunt Mary, for your endless support and guidance throughout this process; your help was truly invaluable.

Dedication

This research is dedicated to my family, for all of their emotional support and guidance over the last two years and in particular the last few months of this masters. I could not have done it without you.

In particular I would like to dedicate this in memory of Mrs Margaret Dolan.

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Chapter 1- Introduction

Irish consumers aged 20 – 35 have been functioning in in one of the worst economic crisis in the history of the world. For a number of years these consumers were starting their working lives while the rest of the population suffered severe hardship and strife, while a number of theses consumers were not directly affected by the recession, they undoubtedly experienced the social shift in consumer attitudes that surrounded them. According to Reyneke et al (2013), high net worth individuals are changing their consumer habits; luxury brands are still managing to sustain profitability. Despite numerous research piece being produced on the issue of luxury brands, and also the influence of social media on consumers with brands in general, there has been little research done in the Irish context of luxury branding. This research will be ultimately analysing the relationships that Irish consumers have with luxury brands and whether social media creates a greater emotional connection and influences purchase decisions. This will be done through accessing three objectives, to understand the role that the recession has played in the changing face of the luxury brand consumer. This objective will analysis what the literature says about the recession and how it has impacted and changed the purchase behaviours of consumers. The second objective will look to understand consumer's relationship with luxury brands assessing what it is that appeals to Irish millennial consumers and finally to examine role that social media plays in creating value for luxury brands this objective will look to examine the mediums that are used by luxury brands, including online brand communities and the role they play in their relationships with brands and ultimately purchase decisions with these luxury brands. This research was conducted using qualitative methods amongst the millennial generation. It will go to answer the main objective and show the findings in relation to existing literature on this topic.

Chapter 2 – Literature Review:

2.1 – Conspicuous consumption:

“Conscious consumption public displays of goods or desire for uniqueness and social membership via possessions of status symbols are cross cultural phenomena that define and characterise consumer behaviours” (Patsiarous & Ftichett, 2012; Solomon 1992; Mason 1998; Chadhuri and Manjumar, 2006).

According to Eastman et al 1999 status consumption can be defined as “the motivational process by which individuals strive to improve their social standing through conspicuous consumption of consumer products that confer or symbolize status for both the individual and surrounding others”. These two definitions combine to intertwine within each other, meaning that status consumption is based on conspicuous consumption amongst other factors and conspicuous consumption based on status portrayal (Caas & frost 2002).

While smaller affordable luxuries and premium products are strengthening their appeal as consumers continue to satisfy their need for regular treats and indulgences in their lives, at the same time luxury products have set out to protect their exclusivity through premium pricing and authenticity. Four major trends have changed the face of luxury; changes in consumer tastes and purchase behaviours, the rise of new markets, the increasing numbers of high net worth individuals and also consumers who are still experiencing financial difficulties. This has blurred the definition of luxury as more high street stores compete to enter the “luxury” markets and the advent of new media, namely the rise in social media Reynecke et al (2012), Yeoman (2011), Bastien et al (2009) and Bellaiche et al (2010). This will be examined in this research in terms of how purchase decisions have been affected in a post-recession climate

High net worth individuals are changing their consumer habits – (Reynecke et al 2013). According to Debard (2004), while the sales of luxury items have decreased somewhat, it appears that luxury items have the most brand loyal customers. Consumers are willing to save up their money for these luxury items; they justify paying top prices by saving and reducing spending on lower priced items that they use. The literature notes that while consumers appreciate the features of the luxury product, they may delay or postpone their purchases until they are in a better position to quench their luxury desires.

2.2 –Growth in Luxury

Despite the economic difficulties in Europe both Hermes and Louis Vuitton saw an increase in overall brand value in relation to their competitors by 5% in a year. According to the recent report by Millward & Browns, a recent review of Brandz report (2014) in terms of revenue for luxury brands in 2013, the brand Gucci’s value in 2013 in millions was \$12,735. This was an increase of 48% from 2012. Chanel’s value saw an increase in millions from \$6,677 in 2012 to \$7,075 in 2013, an increase of 6%. Whilst Louis Vuitton saw an increase in brand value against their competition it saw an decrease in overall value from the 2012 figures of 12% going to \$22,719 million from \$25,920 in 2012. The table below shows the top ten luxury brands according to Brandz and Millward Brown.

Top 10 Luxury

	Brand value 2013 \$M	Brand contribution	Brand value % change 2013 vs 2012
1 Louis Vuitton	22,719	4	-12%
2 Hermès	19,129	4	0%
3 Gucci	12,735	5	48%
4 Prada	9,454	4	63%
5 Rolex	7,941	4	11%
6 Chanel	7,075	4	6%
7 Cartier	6,377	4	32%
8 Burberry	4,194	4	3%
9 Fendi	3,636	4	New
10 Coach	3,276	2	New

Valuations include data from BrandZ™, Kantar Worldpanel, Kantar Retail and Bloomberg.
Brand Contribution measures the influence of brand alone on earnings, on a scale of 1 to 5 (5 highest).



There is uniformity amongst the research in relation to high net worth consumers in a post recessional environment, according to Reynecke et al (2012). Highly visible symbols of wealth are seen as somewhat decadent by younger generations, this trend can commonly be seen after consumers have experienced a period of economic difficulty.

With the growing trend in luxury consumption, luxury brand consumers, in keeping with five categories of consumer were identified from the research they carried out in the post-recession climate, these are:

- Aspirational mass market households – these were the highest group and accounted for four out five luxury consuming households in the six markets. The consumers here

tend to have average employments and background but aspire to an above average lifestyle. This group represents around 30% of traditional global luxury sales.

- Rising middle class households – These consumers come from a middle class background and have well-paying jobs. This segment accounts for one quarter of global luxury sales.
- New money Households – this segment is compiled of high net worth households. They earned their wealth themselves and spend the most on luxury goods.
- Old money households – These consumers' wealth is inherited rather than generated. They comprised of second generation millionaires, however they make up only 7% of the traditional luxury sales.
- Beyond money households – These consumers avoid ostentatious displays of wealth. They avoid conspicuous brands and in doing this affirm their elite wealth status. This group accounts for the smallest percentage of traditional luxury sales: 5%.

(Bellaiche JM, Pchtler A M, Hanisch D. December 2010)

Perfections rely on their own perception of the products quality and use price as further evidence of quality. Possible factors that influence luxury consumption include image, quality, fashion, store atmosphere, and patron status. Status and conspicuous consumption provide consumer the means to depict level of status they truly may or may not attain (Grotts & Johnson 2013).

2.3 – Brand communities

“Brand community is a group of series of relationships by the customers who are fond of a specific brand. What is particularly distinct is that the brand community is one that overcomes geographic restrictions founded on the set of social relationships based on the interest or adoption of a specific brand” (Muniz & Gunn 2001).

Brand communities are essentially *“a place physical or virtual for people who admire a certain brand to socialize in the content provided, at least partly by that brand”* – (Mc Alexander, Schouten & Koenig, 2002; Muniz & Gunn, 2001).

Brand communities developed to respond to challenges that marketers were experiencing, the first being the difficulty of maintaining one on one relationships with the customers (Berry 1995). The second challenge that they address is a lack of powerful analytics categories to study consumer behaviours (Mc Alexander et al 2002). A brand community has three main indicators that make it recognisable. These are a shared consciousness i.e. a connection amongst its members, rituals and traditions, such as specific language used amongst members whilst communicating in this community and finally, obligations to society which is the sense of commitment felt by members of the community towards each other.

What brand communities bring for the customers are not only fulfilling functional need or benefit but also many more subconscious needs that may be stronger than the need to purchase, such as symbolic meanings, emotions, associations, self-affirmation and identification from peer groups (Aaker, 1996). The concept of brand communities and virtual communities overlap but are not replacements. Brand communities are often supported by internet based technology but the concept is much broader and essentially encompasses everyone who feels connected to the brand both in an online and offline content (Wiertz, 2005; Fuller et al, 2005; Piller et al 2005, Ouwesloot et al, 2008).

Brand communities provide a social structure to the relationship between the luxury brand and the consumer Muniz Jr & O'Guinn (2001). According to Nahapiet & Ghosal (1998) and Ashforth & Mael (1989), content that creates relationships should be the emotional link between individuals. This emotional link should occur and exists when the individual has a high recognition of the community. Brand community fosters social recognition of the process whereby a person who joins the virtual community is identified, recognises and grants the opportunity to interact with members. Luxury brands face challenges in how to maintain brand integrity whilst at the same time harnessing the power of user generated content and social networking sites (Jin 2011).

Consistent with some of the literature published in particular Brogi et al (2013), brand communities are effective means to influence customers purchase behaviour and allow companies to increase their understanding of customers by monitoring their opinions, information and suggestions. Brand communities serve as luxury brand evaluation forums where consumers evaluate the quality of the luxury product or service by referring to other consumer's reviews in the form of comments and photographs before making an actual purchase Dwyer (2007); Brogi et al (2013); Jin Annie S (2012). As noted by Aaker (1996), in

terms of the relation between brand recognition, belongingness within the brand community and ultimately purchase intention what the brand brings for the customer is not only the functional aspect and benefits but also the many other deeper symbolic meanings such as the consumer's emotional connections, associations, self-affirmation and identification from peer groups.

2.4 – Virtual communities

Virtual communities in contrast are only defined in the virtual world; According to Wiertz (2005) virtual communities are “*Company endorsed online aggregations of customers who collectively co – produce and consumer content about commercial activity that is central to their interest by exchanging informational and social resources*”.

Through online mediums, consumers can obtain information and increase their knowledge and perception of the brand, whilst expressing their common experiences to increase interaction in the community. As a result of this the customers brand recognition is strengthened and they have a more affirmed sense of belongingness within that luxury brand community Liu et al (2011). Word of mouse is of particular importance in word of mouth promotion and is amplified for social media users, who benefit from news information and entertainment in an online community Brogi et al (2013). Online brand communities are critical for luxury brand as they differ from traditional online communities due to their commercial nature and their members' common interest, admiration, sympathy and even love for a particular brand Brogi et al (2013). According to the literature and in particular Gufiled (1978) Durkheim (1915) and Brogi et al (2013), there are three core components of brand communities, These indicators are shared consciousness, shared rituals and traditions, and obligations to society. These feelings lead members to feel that an invisible hand connects them to each other and separates them from outsiders Bagozzi & Dholakia, (2006); Muniz & O’Guinn, (2001). The second is a presence of shared rituals and traditions, traditions in this context are sets of social practices which seek to celebrate and indoctrinate certain behavioural norms and values, and rituals serve to contain the drift of meanings. The third component is a sense of moral responsibility in which the consumer feels a sense of duty to the community as a whole and to its members.

According to Brogi et al (2013) there are two main types of online brand communities, a spontaneous fan made community composed of enthusiastic of a specific fashion brands and official online brand communities created and sponsored by that specific brand. Using social media individual become content producers rather than just passive internet content consuming consumers and this is ever the case when someone joins and participates in an Online Brand Community (OBC). OBCs differed to traditional online communities because of their commercial nature and their member's common interest, admiration, sympathy and even love for a specific brand.

Dowling and Stalein (1994), explain that perceived risk can affect the customers' purchase intention online. Perceived risk is an evaluation of a certain conditional risk and is also the degree to which risk can be sensed and tolerated by the customer. Perceived risk in luxury can be experienced when a consumer goes to a non-official site to purchase cheaper priced goods. Bansal and Voer (2000) state that during the process of purchase decision making the customer will be affected by perceived risks and that the higher the risks are the more information the customers will gain from word of mouth which can be experienced through online brand communities.

2.5 – Luxury Brands

“The DNA of luxury therefore is the symbolic desire to belong to a superior class which everyone will have chosen according to their dreams, because anything that can be a social signifier can become a luxury” – Kapferer Jean Noel Bastien (2009).

“A luxury brand is defined as going beyond functionality and emphasizes the status and image of an individual” – Nueno and Quelch 1998.

Brand images was sometimes more important to their purchase then quality. This reiterates that one of the main challenges for luxury brands are the risk of being perceived as too accessible and losing their appeal. Consumers want something genuine and meaningful from their luxury purchases. The literature shows that brands which can prove the exclusive nature of their products, their brand heritage and unique experience will be one of the first to bounce back and distance themselves from the competition. According to Hagtvedt and Patrick (2009) there is an increasing trend that luxury consumers are increasingly pursuing products that proved emotional benefits and pleasure.

Important reasons for owning luxury products according to a study done by KPMG in 2006 are showing success and social status, rewarding own self and providing the consumer with confidence (Liu et al 2011) Consumers who are brand conscious are those who have a high regard for brands and take an active interest in learning about brands through commercial media sourced Keum, Devantham, Deshapnde, Nelson & Shah (2004). Kalanram and little (1994) found that brand-loyal customers have a wider range of acceptable prices.

According Reynecke et al (2012), Yeoman (2011), Bastien et al (2009) & Bellaiche et al (2010), smaller affordable luxuries and premium products are strengthening their appeal as consumers continue to satisfy their need for regular treats and indulgences in their lives. At the same time luxury products have set out to protect their exclusivity through premium pricing and authenticity.

Yeoman and Mc Mahon Beattie (2010) note that there has been significant numbers across all ages and social grades who agree that they would rather own one good thing than lots of cheap things. Luxury signals the owner has overcome the constraints of daily life and in this case come through the worst economic crisis in the history of Ireland. They have entered the privileged world where the key to entry is no longer the functional but the aesthetic, the sensual, the hedonistic the cultural and the sacred Kapferer.J N & Bastien V (2012)

Many luxury brands have increasingly targeted the middle class consumers. This move was done in an attempt to leverage the prestige of the name and seducing non consumers Kapferer & Bastien (2012). The literature notes that while consumers appreciate the features of the luxury product they may delay or postpone their purchases until they are in a better position to quench their luxury desires

Vigernon & Johnson (1999) suggested that a brand should consist of five unique values in order to be considered a luxury, these are conspicuous value, unique value, social value hedonic value and quality value, According to Berry (1994), most luxury brands provide all these five values that help develop a brand's overall image. Phau and Pregast (2001) assume that luxury brands evoke exclusivity and have a well-known brand identity; they also enjoy a high degree of brand awareness and perceived quality. Similar to this thinking, Beverland (2004) developed a luxury brand model with the following dimensions; product integrity, value driven emergence, culture, history, marketing and endorsement. Moore and Birtwistle (2005) are critical, however, of this model and are of the opinion that other details need to be incorporated in order to build a modern day luxury brand.

Vigneron and Johnson (1999) defined five values of prestige behaviour combined with five motivations. From these they then identified five different categories of prestige consumers. According to this theory, hedonists and perfectionists are more interested in pleasure derived from the use of the luxury products and less interested in the price than quality. Their view is that these consumers know what they want and use their own judgement while price exists only as proof of quality. The Veblen, snob and bandwagon effects are evident with consumers who perceive price as the most important factor, with a higher price indicating greater prestige. They usually buy rare products and in this way feel that this emphasises their status.

- The Veblen effect – attach greater importance to price as indicator of prestige, primary objective is to impress.
- The Snob effect- view price as an indicator of exclusivity, avoid using popular brands to experiment with inner directed consumption.
- Bandwagon effect – attach less importance to price as an indicator of standing but will place greater emphasis on the effect they make on others while consuming prestige product.
- The Hedonic effect – more interested in their own thoughts and feelings, place less emphasis on prices as indicator of prestige.
- Perfectionists - rely on their own perception of the products quality and use price as further evidence of quality. Possible factors that influence luxury consumption include image, quality, fashion, store atmosphere, and patron status.

Husic & Cistic (2009)

With regards to Irish market, the indicators are that the most prevalent types of luxury consumers are “Snob” and “Perfectionists”, this research will examine which categories the consumers questioned fit into. These findings are based on the information published recently in the media, indicating Brown Thomas invested €9 million into their stores, further supporting the need to evaluate the influence of social media on luxury brand purchases in Ireland.

Luxury is and has always been about social stratifications. In all areas of practical utility, waste and decisions relating to the distribution of wealth, it is society that defines what luxury is (Kapferer.J N & Bastien V 2012). While the sales of luxury items have decreased somewhat in recent years, it seems that luxury items have the most brand loyal consumers. These consumers are willing to save up their own money, for these specific luxuries, they justify paying top prices for these items by saving and reducing spending on their lower priced items Heher (2009) Grotts & Johnson (2012). According to Grotts & Johnson (2013), Millennial consumers in particular are infatuated with portraying a status orientated image of themselves through materialistic items they possess and display to others. This is done through symbolic self-completion as it is through self-symbolising that enables Millennials to display their status in an attempt to receive recognition from their peers. This ideology will be examined in this research amongst Irish luxury consumers to ascertain if this applies to their demographic.

2.6 – Millennial Consumers

Millennial users are the generation of individuals who were born in 1982 and started attending college in 2000 - Beirne and Howe (2008).

Previously, these consumers were titled by the literature as generation Y however according to Eirne and Howard (2008) this name has subsequently changed. While older generations lament the increasing use and development of technology as part of our everyday lives, to Millennials this is just another tool to help them fulfil their desires. According to Loes (2010) recent research comments that marketers are still striving to understand the millennials buying behaviour and brand loyalty. This paper will examine Irish Millennials buying behaviour in terms of social media to shed some light on this ever evolving topic of discussion.

Research has shown that younger customers in particular are increasingly turning to luxury brands that enable them to express their personality and individuality; this can be expressed through social media in the form of brand communities. With the development and evolution of the luxury brand consumer, it is vital in order to cater for this new demographic that brands tell the story – brand heritage is like sacred scripture, never stop repeating the brand story and always make it relevant.

Investigation that has been completed on Millennials and the concept of brand loyalty has resulted in two conflicting theories. The first is that Millennials are not brand loyal consumers. A study done by K. Ritchie showed that they are less brand loyal than previous generations due to the constant bombardment of promotions Ritchie, (1995). Millennials value price and features as the most important attributes of a product, instead of brand name. Millennials live in a culture where they have never had to experience an internet free world, mobile phones, ipods and other such items have become an extension of themselves rather than an accessory Featherstone (20017).

According to Caplan (2005), Millennials want products that match their lifestyle or personality, which is why brand is of almost no importance. This idea is supported by Ritchie (2005) who is of the opinion that due to their constant bombardment with advertising and promotions, they are less brand loyal than previous generations. Noble et al (2009) however along with other researchers contradicts both these views, stating that Millennials are trendsetters, and this trendsetting nature comes from their lifelong loyalties to certain fashion forward brand names and the need to express who they are through what they have. The expression of themselves, through the use of branding is typically a thought process that Millennial consumers use in choosing products that help to define who they are. Millennials are loyal to brands whose products not only provide for the individual but also for the community as a whole Millennials are committed to a brand as long as it provides for their needs DeBard, (2004) Beirne and Howe, (2008). They have a sense of entitlement and abundance from growing up during the economic boom and being pampered by their boomer parents. They are selective, confident and impatient. They want what they want when they want it and they often get it by using credit cards, Kotler et al (2012). Bellaiche Jean – Marc, Pchtler Antonella Mei, Hanisch Dorit (2010). As stated in Noble et al (2009) Millennial consumers personalities were associated with a brands personality. They feel that they are able to portray the image, be it actually or ideologically. Millennial consumers were chosen for this research as according to Bakewell & Mitchell (2003) and Noble et al (2009) they are likely to show materialistic shopping styles and have the ability to be more brand conscious largely because they have more money at their disposal than any other group of young consumers that has been previously recorded in history.

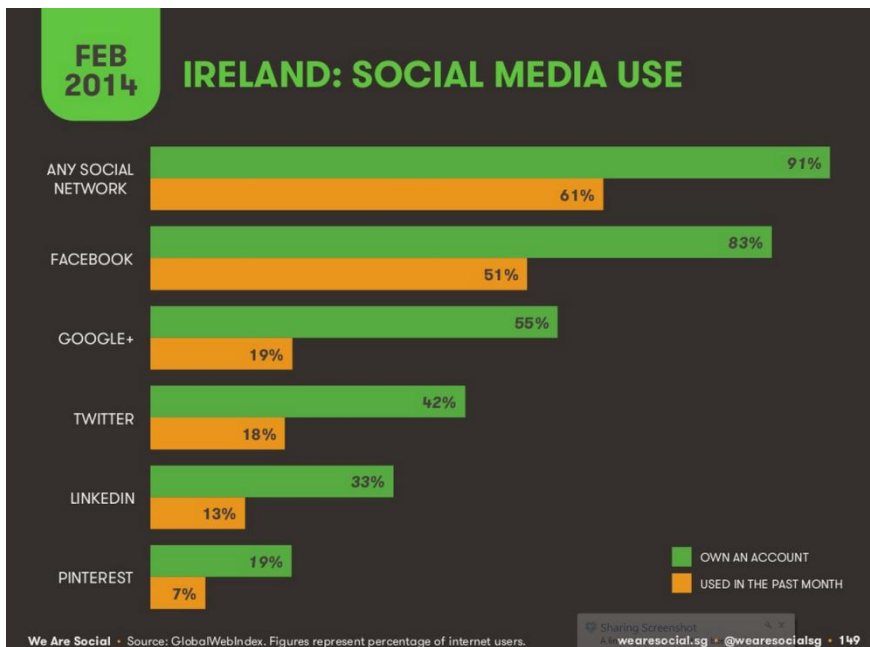
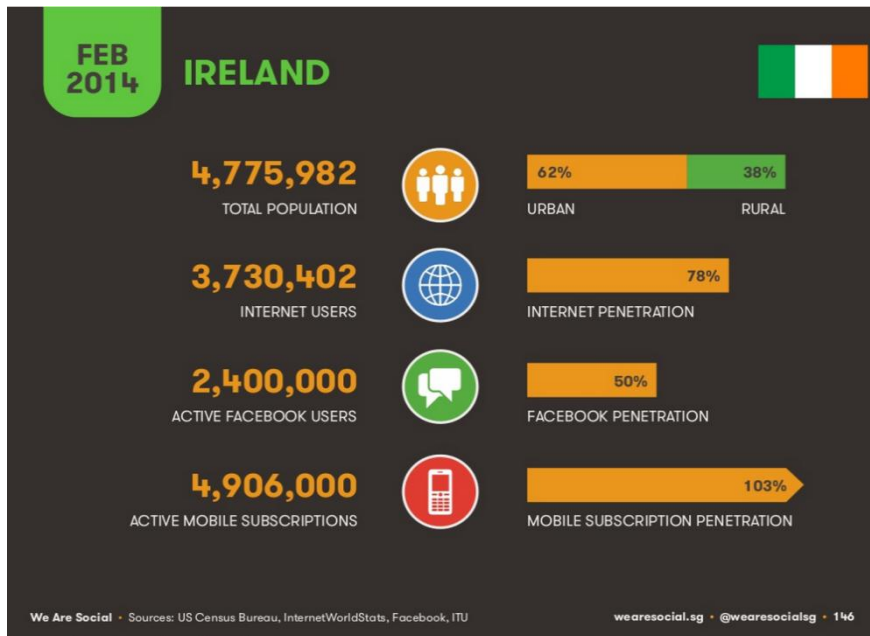
2.7 – Social Media

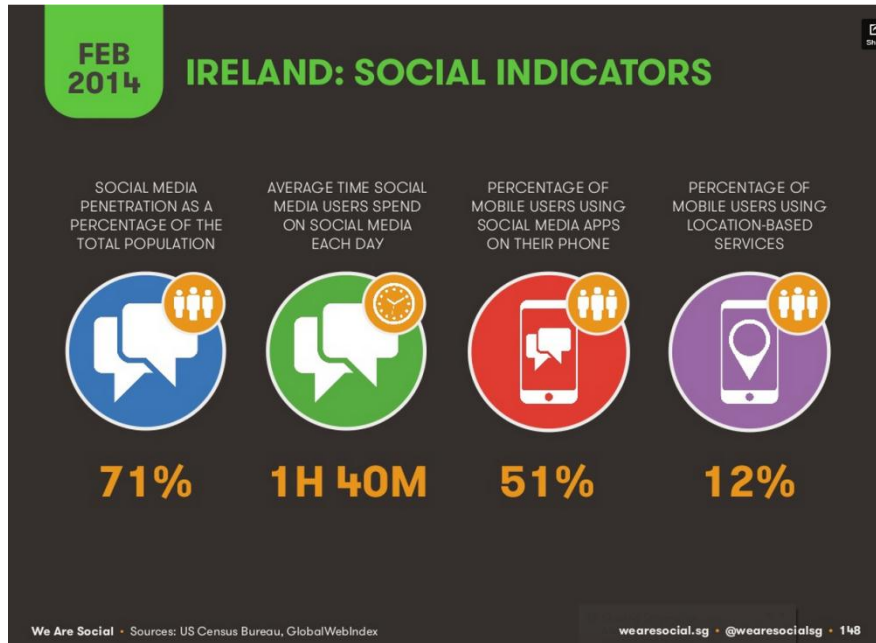
“Social media are tools for sharing and discussing information. It is a social instrument of two way communication facilitating the sharing of information between users within a defined network via Web 2.0” – O Reilly, 2005

While some have argued that the mass availability of the internet is contradictory to the essence of luxury brands which is exclusivity, industry experts note that marketing through social media promotes consumer engagement with luxury brands Gers (2009) & Overted (2011). Previous research undertaken by Dellatocas et al (2007) indicates that consumers prefer recommendations from other consumers over professional reviews by critics especially for hedonic goods. Costs can be reduced for firms that utilise social media for the development of their brand, as they can interact with target groups and issue by issue advertising and promotion which are available at a lower cost than traditional mediums (Hun 2010). Firms have preferred to employ social media as the best way to reach their customers after the global recession and research shows that both small and medium sized firms have invested more resources into the development of social media (Kirtis & Karahan 2011).

The shift by businesses toward social media can be explained by several factors, Consumers are increasingly ignoring conventional online marketing efforts such as banner and email advertising advertisements, and consumers have moved to become more online than offline, in particular for the Millennial, generation, customer preferences, trust is important online and people are increasingly becoming more trusting of the information they receive from friends and other users. Finally viral campaigns can produce many more engaged customers than a television campaign at a much lower cost (Gillin 2007). In 2010 Jimmy Choo partnered with the interactive platform Foursquare to launch their trainer hunt campaign. During the campaign clues were left online so that anyone following Foursquare, Twitter or Facebook could chase the shoes around London trying to find and win them. The trainers checked in in various upmarket locations creating an interaction between the product and the aspirational image that consumers of it wish to portray to the outside world. Jimmy Choo was the first brand to check in an object not a person on Foursquare innovatively using social media to create a buzz and desire for their new product.

According to Kemp (2014) the below charts show the high usage of social media usage in Ireland in 2013:





Research done on the motivations, benefits and objectives that businesses relate to the use of social media can be summarised as follows, brands can effectively develop and enhance relationships with customers (Bartlett, 2010; Hackworth & Kunz, 2010; Monseau, 2009; Selina & Milz, 2009). Firms can reach out to people that otherwise could not be reached (Dong-Hun 2010; Newman, 2003). Social media can establish and raise brand awareness (Fannin, 2011; New media age, 2010). Social media can boost sales through consumers visiting a brand's page in social media as it is probable it will result in traffic generated to the brand's website and therefore result in increase in online sales (New Media Age, 2010). With clear benefits of social media use for business, it begs the questions that will be examined in this research as to the influence of Social Media across the luxury industry.

According to Lipsman et al (2012) Social media has facilitated innovative ways of sharing information about brands between friends whether consumers are voicing their affinity for certain brands or their experience with products and services. Facebook not only encourages this type of communication but accelerates it with its services. According to Lipsman et al (2012), the value of a fan can be assessed in three ways; these are increasing the depth of engagement and loyalty amongst fans, generating incremental purchase behaviour and leveraging the ability to influence friends of fans. Today many fashion bloggers are sitting front row at events such as New York fashion week, sending out real time honest commentary to their following.

Today's consumers are given a virtual tour of the rare details of their favourite brands, an honour previously only bestowed on those directly connected to the brand. Luxury companies have no choice but to embrace and reinvent the way that they speak with their target consumers.

Jacoby and Chestnut (1978) define brand loyalty as the biased behavioural response expressed over time by a decision making unit, with respect to new brand out of a set of such brands and is a function of psychological processes. They found that social media usage is positively linked to a user's responses, such as attitudes and behaviours. Their study found that users with higher levels of brand consciousness are more likely to have favourable beliefs and attitudes towards social media advertising compared to those with lower levels of brand consciousness. According to Bashir et al (2012), from their research they found that the main ways fans come to join / follow a brand page or brand on social media is through advertising followed by a friend motivation. Brand loyalty plays an important role in motivation towards following on social network platforms. Brand loyalists are consumers who will market a certain brand and talk positively about it amongst their peer groups and likeminded people Bashar et al (2012). According to Fiore, Jin and Kim (2005) it is interaction within the website which causes attraction and maintains customer loyalty to purchase online, while lowering perceptual risk and making the user feel a heightened sense of involvement as they partake of the benefits gained from interaction.

2.8 - The Power of Social Media

At least half of Twitter and Facebook users say they have become more likely to talk about and recommend or purchase a company's products after they began being engaged with that community on social media Jackson (2011). Social media sites such as Facebook have the power for luxury brands to generate interest at each stage of the marketing life cycle these being, brand awareness, favourability, purchase intention conversion, or even long term loyalty and lifetime value. It is logical to assume that users with favourable attitudes towards luxury brand pages in social media will tend to actively engage in advertising messages and seek information about the promoted brands which may in turn increase their likelihood of purchasing luxury products. Bloggers are becoming ever increasingly part of luxury brand, their influence for some can make or break a brand as some consumers use them as part of their pre purchase decision making.

In July 2014, Facebook recognised one of the needs uncaptured for by this cohort and subsequently launched their first test phase of their buy button. Many users of Facebook are familiar with the diverse options to interact with the social network; this button will facilitate a further stage in the customer decision making process as users will amongst certain small to medium businesses be able to make purchase through their Facebook accounts. Social media marketing is more sincere as it is communication with consumers; this is by trying to show what the brand is rather than trying to control its image Erdogmus & Cicek (2012).

This is further illustrated by Greenhill (2012), who suggested luxury brands such as Burberry effectively increase their exclusivity among current and aspirational consumers by creating an inclusive and high quality platform for brand engagement and relationship cultivation. Users who choose to follow a luxury brands' activity in social media subconsciously signal their interest in receiving information in response to advertising messages and finally purchasing their product. As stated by Bashir et al (2012), consumers' buying decisions can play a role in motivating towards following a brand on social networks. This desire to engage with the brand either through dialogue with the official brand representatives or with other consumers leads to advocacy and loyalty towards the brand and such consumers starts working indirectly as a brand ambassador of their product or service.

Previous studies have shown that consumers follow a hierarchical sequence in their behaviour, and this can be classed into three segments; cognitive, affective and behavioural response. Cognitive is when consumers develop awareness and knowledge such as using the internet to find out more about a luxury brand, this is then followed by the affective stage in which consumers develop a liking or preference towards the advertised product or service. Once this is done, consumers act on these to purchase their item. While this may be the case for a number of everyday items, there has been little research into the influence of social media on the purchase decisions of consumers who intend to buy specifically luxury brands. This will be examined in this research, as there has been little study done into the influence of social media for a specific sector in Ireland.

This can be seen with the example of Burberry, the most liked luxury brand on Facebook with the most engagement in 2012. This included aspirational and real customers in their social campaigns and they experienced a 21% increase in profits, Messieh (2012).

Some of the most iconic luxury brands have embraced social media in creative ways over the last seven years. In 2007 Louis Vuitton hired award winning agency Ogilvy & Mather for their Journeys campaign. After a somewhat rocky start the website of the agency asked celebrities to describe their favourite places. These narrations were illustrated with photography, sound and video on a new website entitled Journeys accessible from the Louis Vuitton main site. These online collages injected a much needed human factor into the brand and enabled consumers to feel a connection to not only the luxury brand but also the celebrities who supported it Turngate M (2009).

According to the literature, there has been a rise in more consumers renting luxury goods; websites such as bagborroworsteal.com have created a niche for them among money conscious consumers. This phenomenon, while popular in places such as New York₂ and London has not caught on to same extent in Ireland. These services enable customers to access the inaccessible. This development of these enterprises shows a shift in the mind-set of some consumers towards ownership of luxury possessions. Renting allows sporadic encounters with luxury brands and items, without paying for the full lifestyle (Yeoman 2010). It also allows an alternative access into this notion of the luxury brand community lowering perceived risk of committing fully to a purchase and the brand becomes more attainable to more consumers. As mentioned in Ward (2010), social media is one type of online media accelerating communication such as conversations in contrast to conventional media which doesn't allow readers to participate in the creation on contents. In contrast to this idea, Thomas (2010) states that social media is "Customer Relationship Management (CRM) for the millennia" but not just a simple marketing tool. Its form may be different in the future and may evolve, however, according to Thomas it is not going away.

Chapter 3 - Methodology

3.1 - Introduction:

This chapter will provide an extensive description of the methods used to obtain this research. This will include an overview of the research aims and objectives, the theoretical philosophy and reasoning behind the chosen methods, an overview of the sampling chosen by the researcher incorporating a breakdown of the limitations of the study, ethical considerations and the method of data used in the analysis.

3.2 - Research philosophy:

Quinlan (2011) states that every research project is underpinned by a philosophical framework which marks the worldwide view that the research is situated in; each step in the research process as designed by the researcher should be appropriate and fit for purpose.

According to Saunders & Tosey (2012) there are four main types of research philosophy, these being positivism, realism, interpretivism and pragmatism. A researcher who is concerned with observing and predicting outcomes is concerned with the philosophy of positivism. This usually involves large samples of quantitative data and statistical hypothesis testing.

Similar to positivism, realism is a philosophical position associated with scientific enquiry. Realism states that reality exists independent of the mind and what a researcher's senses show her or him the truth, although the researcher is influenced by world views and their own experiences. Philosophers distinguish between two forms of realism: direct realism and critical realism. This type of research involves both qualitative and quantitative data.

Interpretivism, this philosophy relates to the study of social phenomena in their natural environment. It focuses upon conducting research amongst people rather than upon objects, as to understand their social world and the meaning they give to it from their point of view.

Unlike positivist, the interpretivists researcher considers research is value bound, what is being researched being a function of a particular set of circumstances and individuals at a specific time. Data collection and analysis are, therefore, likely to involve qualitative data from in-depth investigations with small samples.

The research incorporated within this piece of work has taken an interpretivist philosophical process as it will examine people in their natural phenomena through the use of in-depth interviews with both consumers and industry experts. This method is similar to that used by Tsimonis & Dimitradis (2013) who conducted qualitative interviews, this differed from the majority of researchers who have chosen to conduct quantitative methods (Saunders & Tosey 2012)

3.3- Research Methods:

According to Quinlan (2011) research methodologies emerge from the fundamental philosophies and the data collection methods emerge from research methodologies. There are two forms of data that can be collected for any research, these being quantitative and qualitative.

Quantitative data is numerical and can be coded as such, whereas qualitative data represents feelings, thoughts, ideas, understanding and is non numerical. The approach adopted by qualitative researchers tends to be inductive which means that they develop a theory or look for a pattern of meaning on the basis of the data that they have collected. This particular method will be used in this research. Qualitative researchers do not base their research on pre-determined hypotheses.

While there has been a trend in the research reviewed of being deductive, it was viewed that due to the nature of the questions an inductive approach would be more appropriate to obtain the results needed. Consumers and industry experts will be asked for their views and their responses may be quite complex, this complexity cannot be readily or adequately represented in a quantitative manner and as a result a qualitative method is more appropriate.

According to Bryman & Bell (2011) the distinction between qualitative and quantitative interviews are that quantitative interviews are predominantly structures whereas qualitative interviews are either semi-structured or unstructured. This research was conducted in the form of semi-structured interviews. Semi-structured interviews allow respondents scope in how they wish to respond and follow a list of themes or general questions to be covered by the interviewer or researcher. The questions however do not need to be followed in sequential order but can vary in order to maintain the flow of the interview. The researcher may also include supplementary questions not listed.

In comparison unstructured interviews are conducted with only prompts used by the researcher to cover a variety of topic without specific questions being present. This style is more conversational between the researcher and the respondent (Bryman & Bell 2011). This study entails research objectives that are concerned with investigating the influence that social media has on purchase decisions for the Millennial generation consumers, asking whether social media has the capacity to create a greater emotional connection with the brand. In order to undertake this research, it was necessary to have some form of structured interview between the researcher and the interview to ensure that these objectives were addressed.

The design of the questions was compiled from a combination of the suggestions made by both Quinlan (2011) and Saunders et al (2009). The interviews were conducted over the weekend of the 16th and 17th of August 2014, among consumers and during the day of Wednesday the 13th of August among industry experts. In an effort to facilitate a relaxed environment where participants might be willing to provide more open answers, the consumer interviews took place in the homes of the participants. The industry expert's interviews were comprised of three bloggers who were interviewed through the medium of both email and telephone. In addition, two face-to-face interviews were conducted with brand managers in both the Powers Court Centre and Brown Thomas Grafton Street.

The bloggers involved in this research were chosen based on the nature of their sites and their demographic appeal which is predominantly towards generation Y Millennial consumers. A total of ten interviews were conducted. Previous research in this area had utilised quantitative methods as their data collection methods. Due to the nature of assessing feelings, thoughts and opinions rather than quantity, it was concluded that ten interviews, five sourced from among consumers and five sourced from the industry was sufficient to answers the research objective proposed.

Bryman and Bell (2011) also note that questionnaires are advantageous because they are quickly administered over qualitative methods such as focus groups. The interviews that were conducted were recorded with the permission of the respondents. This was done to facilitate the flow of the interviews and to ensure the accurate transcription of the answers at a future date.

With so many previous researchers opting for a quantitative method, it is hoped that the use of qualitative approach for this research, will shed some light onto this topic. The interviews were conducted and compiled using the theory suggested by Creswell (2003).

3.4 - Theoretical reasoning

According to Bryman & Bell (2011) epistemology can be defined as the question of what is or what should be regarded as acceptable knowledge in the discipline. Two of the most frequently discussed epistemological considerations are positivism and interpretivism. Interpretivism also referred to as post positivism claims that there is no one objective reality or truth to be discovered in research; rather meaning is constructed through interpretations of social actors.

A positivist approach to research is based on knowledge gained from 'positive' verification of observable experience rather than, for example, introspection or intuition. Moreover, in positivism studies the researcher is independent from the study and there are no provisions for human interests within the study. Crowther and Lancaster (2008) inform that as a general rule, positivist studies usually adopt deductive approach. This study has taken post positivistic approach as it presumes that knowledge is subjective and interpretivist. People see the world differently and it was through the use of open ended questions and conducting the interviews with consumers and industry users in an open casual forum that respondents were facilitated to articulate their views and feelings in such a manner that it enabled a more thorough record of results.

As this study necessitates research objectives concerned with understanding the Millennial generation consumers attitudes towards purchasing behaviour in a post-recession environment and also the role that social media plays in creating value for luxury brands and the relationship they foster with these consumers, a deductive approach was used in formulating the appropriate questions. This sample was selected due to the previous nature of studies undertaken, focusing on this cohort and also for the specifications of the questions.

This research question focused on social media in particular, a medium that the Millennial cohort has grown up with. While more mature consumers still purchase luxury brands, it was felt that the chosen sample was the most productive method of obtaining the relevant information. The sampling arena that this research selected was generation Y consumers, aged between 20 – 34 years, who use social media and who also purchase luxury brands,

This sampling was deemed appropriate as this generation had emerged from the recession; having grown up in the Celtic Tiger generation where there was a higher access to disposable income. Bloggers were selected in terms of the topics of their websites and their age profiles. In total 5 consumer interviews were conducted with a further 5 interviews conducted with industry experts. This sample was chosen as it linked this research with the existing body of knowledge currently available on this topical point Saunders et al (2012). To aid in triangulation of this research, consumers who fitted into the Millennial generation were questioned. Furthermore, the various industry experts from 'online' and 'offline' were asked a similar set of questions, in order to gauge their views and opinions on this research. Semi-structured interviews were chosen as the most appropriate method of data analysis due to the qualitative analysis needed for this research question.

3.5 - Overview of sampling

According to Quinlan (2011) there are two kinds of samplings, probability sampling and non-probability sampling. When researchers use probability sampling, the sample they have selected from the population is claimed by the researcher to be representative of the population. The researcher using this method wants to claim that the findings of their study are generalizations applicable to the entire population of the study. The basic rule of probability sampling is that each member of the population has an equal probability of being selected for inclusion in the sample, as this is the case the researcher must have a complete list of every member of the population in question.

Non-probability samplings is said to represent the population, however according to Quinlan it cannot be said to be representative of the population in a statistical sense. The emphasis of non-probability sampling is on the capacity of a relatively small number of cases to clearly, comprehensively illustrate the phenomena that is being investigated.

This research was conducted using non-probability sampling and after careful consideration of the various types of non-probability sampling, judgemental sampling and convenience techniques were deemed to be most appropriate by the researcher as the participants were all able to make valid contributions to the research on an industry level and consumers who were selected at convenience also contributed to this research. A non-probability sample was chosen as there was a lack of access to an entire population for answering this research.

The age ranges of the consumers were from 24 – 28 years of age. The industry experts were within the 26 – 30 age brackets. The consumers and face to face industry interviews were recorded using a recording device with the key themes noted on paper. These were then reviewed on numerous occasions to investigate the responses. The blogger interviews were mailed the questions prior to the conversation and these were also recorded using appropriate equipment's. All interviews for both consumer and industry were of 20 – 25 minutes duration.

3.6 – Research and objectives:

The overall aim of this research is to examine the relationships that Irish Millennial consumers have with luxury brands and whether social media creates a greater emotional connection and influences purchase decisions. This will incorporate an additional research objective that will be examined to help accomplish this.

3.6.1 – Research objective 1: *To understand the role that the recession has played in the changing face of the luxury brand consumer.*

In order to understand what influences the Millennial cohort's consumer purchase decisions, it is important for this researcher to understand how purchase decisions have been affected by both external factors and environmental factors that would have influenced the entire population. This will be important for the overall research aim as some previous research suggests that consumers living in a post-recession environment are likely to be less concerned with luxury brands and may not wish to appear ostentatious amongst their peers. Previous research pertaining to the influence of the recession on consumer's consumption has been completed amidst international consumers Reynecke et al (2012), Yeoman (2011), Bastien et al (2009) However this research was conducted in other countries and amongst various demographics not specific to this research question.

To best understand the impact that the recession has had on consumers, respondents were asked both direct and open ended questions. Some participants were asked whether their purchases of luxury brands changed over the last six years. This was followed up with relevant probing questions as to whether the recession impacted on individual's luxury brand purchase with a further probing as to how what its impact was.

In the industry interviews, respondents were asked open ended questions delving into the question had Irish consumers luxury brand purchases changed since the recession imploded on Irish society.

3.6.2 – Research objective 2: *To understand consumer’s relationship with luxury brands.*

This objective seeks to examine what it is about luxury brands that drive conspicuous consumption amongst consumers, in particular amongst Irish millennials. Although several studies have examined the relationship between luxury brands in a post-recession environment, such as Debard (2004) and Bastien (2009) previous research on the topic of luxury brands has focused on specific countries such as China or America and not in an Irish context. To best understand the complex relationship that Irish consumers have with luxury brands, respondents were asked a series of open ended questions including what luxury brands mean to them, and what is it that they say about them, where necessary further probing was used. In terms of the industry interviews, respondents were asked how they would describe the Irish consumers buying habits in terms of luxury brands.

3.6.3 – Research objective 3: *To examine role that social media plays in creating value for luxury brands.*

This objective seeks to examine the mediums utilised by luxury brands, including online brand communities and how they influence consumers in creating the relationship with brands. With numerous industries looking to invest resources into going digital and using social media Muniz Jr & O’Guinn (2001), O Reilly (2005), more emphasis should be focused on the influence that social media has in creating value for Irish consumers who purchase luxury brands. With social media being an ever evolving and developing process, ongoing research is required as marketers try to uncover the best way to utilise this medium for their objective. While there has been previous research on the influence of social media and the effects of brand communities on consumers, there has been limited research undertaken in an Irish context with luxury brands. Therefore, to best understand the views of consumers on this objective, open and closed ended questions were asked, including a query as to how would participants describe the Irish consumers buying habits in terms of luxury brands and what influence does social media have on their relationship with luxury brands?

In the industry interviews, respondents were asked open ended questions in relation to their opinion of how social media might affect the purchasing behaviour of Irish consumers.

Further questions were put to the participants seeking their opinion on the impact of social media to concrete purchasing opportunities amidst the Irish consumer base. Furthermore, questions were asked pertaining to the evolution of luxury brand industry in Ireland.

3.7 – Theoretical reasoning

According to Bryman & Bell (2011) epistemology can be defined as the question of what is or what should be regarded as acceptable knowledge in the discipline. Two of the most frequently discussed to epistemological considerations are positivism and interpretivism. Interpretivism also referred to as post positivism claims that there is no one objective reality or truth to be discovered in research; rather meaning is constructed through interpretations of social actors. A positivist approach to research is based on knowledge gained from 'positive' verification of observable experience rather than, for example, introspection or intuition. Moreover, in positivism studies the researcher is independent from the study and there are no provisions for human interests within the study. Crowther and Lancaster (2008) inform that as a general rule, positivist studies usually adopt deductive approach. This study has taken post positivistic approach as it presumes that knowledge is subjective and interpretivist. People see the world differently and it was through the use of open ended questions and conducting the interviews with consumers and industry users in an open casual forum that respondents were facilitated to articulate their views and feelings in such a manner that it enabled a more thorough record of results.

As this study necessitates research objectives concerned with understanding generation Y consumers attitudes towards purchasing behaviour in a post-recession environments and also the role that social media plays in creating value for luxury brands and the relationship they foster with these consumers, a deductive approach was used in formulating the appropriate questions. This sample was selected due to the previous nature of studies undertaken, focusing on this cohort and also for the specifications of the questions.

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This sampling was deemed appropriate as this generation had emerged from the recession; having grown up in the Celtic Tiger generation where there was a higher access to disposable income. Bloggers were selected in terms of the topics of their sites and their age profiles. In total 5 consumer interviews were conducted with a further 5 interviews conducted with industry experts. This sample was chosen as it linked this research with the existing body of knowledge currently available on this topical point Saunders et al (2009). To aid in triangulation of this research, consumers who fitted into the Millennial generation were questioned. Furthermore, the various industry experts from 'online' and 'offline' were asked a similar set of questions, in order to gauge their views and opinions on this research. Semi structured interviews were chosen as the most appropriate method of data analysis due to the qualitative analysis needed for this research question.

3.8 – Overview of sampling

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This research was conducted using non probability sampling and after careful consideration of the various types of non-probability sampling, judgemental sampling and convenience techniques were deemed to be most appropriate by the researcher as the participants were all able to make valid contributions to the research on an industry level and consumers who were selected at convenience also contributed to this research. A non-probability sample was chosen as there was a lack of access to an entire population for answering this research. . The age ranges of the consumers were from 24 – 28 years of age.

The consumers were comprised of four females and one male interviewees, the industry experts were comprised of five females. The industry experts were not asked to reveal their ages however, they were within the 26 – 30 age bracket. The consumers and face to face industry interviews were recorded using a recording device with the key themes noted on paper. These were then reviewed on numerous occasions to investigate the responses. The blogger interviews were mailed the questions prior to the conversation and these were also recorded using appropriate equipment's. All interviews for both consumer and industry were of 20 – 25 minutes duration. Transcripts of all interviews can be produced at the request of the examiner. Please see appendices for sample questionnaire for both consumer and industry expert.

3.9 – Limitations of the study

The initial limitation encountered for this study was that of time. Due to the fact this research was being conducted on a part time basis, time management was a prominent concern. In addition, time constraints involved in the research was a significant factor to be taken into consideration. Yet another limitation was the nature of the topic. Further research in this area might include both quantitative and qualitative methods, enabling the researcher to obtain a broader scope of the target demographic.

While not possible in this research, at a future date it would be interesting to investigate those users who buy luxury brands but who are not currently active users on social media. Due to time constraints in this instance, it was not possible to include this demographic. Yet another slight limitation within this study was the arrangement of interviews at times that suited both industry experts and consumers.

3.10 – Ethical considerations:

Given the nature of some of the questions involving purchase behaviours in a post-recessional environment, and the nature of the products being investigated typically being of a more expensive nature, respondents were assured their anonymity would be kept during this research. They were also made aware of the purpose of the research and that due to the fact data gathered was being utilised for an MSc their permission was required to use any quotations obtained in the interviews. All participants gave their agreement to this.

Respondents were informed that should they wish to, they could have full access to their individual responses and recordings.

3.11 – Method of data used in analysis

The method of analysis used in this research was thematic analysis with the use of keywords. As described by Saunders (2011) thematic analysis is when a researched analyses the data through the use of themes. At first the researcher grouped concepts together around key objectives.

Then these were grouped into themes, these were then further grouped into key themes and then key themes overall were identified. These themes were derived from an analysis of the respondents thought and feelings for both the consumer and industry levels. The most common feelings were coded and then these broken into overall themes that would answer that specific objective, these were at a major or minor level dependant on the overall relevance to the research objective. Each theme was then categorised according to the research objectives as outlined in section 3.4

Table 1 – Themes emerging from research objectives 1 - Consumer

Research Objective 1 – Consumer
<i>To understand the role that the recession has played in the changing face of the luxury brand consumer.</i>
Frequent
Alter everyday products
Appreciation (major) <ul style="list-style-type: none"> • Awareness

Table 2 – Themes emerging from research objectives 1 - Industry

Research Objective 1 – Industry
<i>To understand the role that the recession has played in the changing face of the luxury brand consumer.</i>
Investment
Conformist

Table 3 – Themes emerging from research objectives 2 – Consumer

Research Objective 2 – Consumer
<i>The understand consumer’s relationship with luxury brands.</i>
Reward
Value
Quality – major
Associate with people
Identity

Table 3 – Themes emerging from research objectives 2 – Industry

Research Objective 2 – Industry
<i>The understand consumer’s relationship with luxury brands.</i>
Brand loyal

Table 4 - Themes emerging from research objectives 3 – Consumer

Research Objective 3 – Consumer
<i>Examine role that social media plays in creating value for luxury brands.</i>
Out of interest
Awareness - major
Experience - Major
<ul style="list-style-type: none"> • Personal connection - • Minor Excitement
Cheapen Luxury
Exclusivity - Major
Exposure
Out of interest

Table 5 - Themes emerging from research objectives 3 – Industry

Research Objective 3 – Industry
<i>Examine role that social media plays in creating value for luxury brands.</i>
Appropriation
Aspirational
Sceptical consumer attitude
Desirability creation - major
Create interest - major
Comparison facility - major
Experience – major <ul style="list-style-type: none"> • Linking both online and offline • Communication facility

Chapter 4 – Findings

4.1 – Introduction:

The following are the findings concluded from a series of in depth interviews conducted among consumers of luxury brands and industry experts drawn from the luxury brand sector. The findings will be presented in the form of themes which will be then examined in further detail to justify and answer each proposed research objective. They will be divided into consumer and industry for each objective.

Research Objective 1 – Consumer
<i>To understand the role that the recession has played in the changing face of the luxury brand consumer.</i>
Frequent
Alter everyday products
Appreciation

4.2 - Frequent:

This theme was evident over multiple questions relating to the purchasing habits of consumers. To initiate the interviews all respondents were asked the frequency of purchasing luxury brands. This question was utilised to lead the consumers into the research questions slowly. When the results of the interviews were analysed, it was evident that consumers interviewed frequently purchased luxury brands. This frequency ranged from once a month to every three months. As a follow up question respondents were then asked if their frequency had changed as a result of the recession. The results were quite informative in that, all interviewed said that they either increased their spending on luxury products or it had remained unchanged. Fictional names have been created in the quotes to protect identity of both consumers and industry experts.

“Yes, I’d go for more expensive things now based on progression of my career can afford more things now, can afford more expensive things” - Gemma– consumer

4.3 - Alter everyday products:

In response to this spending question and to investigate further, respondents when asked if they had to curtail their spending for a reason what would they reduce. This question was initiated as a result of the answers given by respondents to the previous question on recessionary spending. All respondents indicated that if they had to they would alter other aspects of their purchase such as “*buying cheaper clothes*” but they would not alter their luxury spending.

“Yea id pull back on clothes id changes them a lot, but like say a Michael Korrs watch id wear them a lot so they wouldn’t date, the likes of handbags, I’d have to think about a luxury bag spend so much time on it so I’d use it a lot more.”- Emma-consumer

4.4 -Appreciation:

When queried if they were more conscious of the luxury brands that they purchase, the overriding theme of responses was that they are not necessarily more aware of the brands but they have a greater appreciation for them. One might speculate that this response could be down to maturity or age.

One respondent notes that a couple of years ago, they would have “*blown my money without thinking.*” There was a sense from the answers that due to this appreciation of the luxury brands, respondents felt there was a greater personal awareness of luxury brands. Furthermore, if they wanted a luxury product and were prepared to pay a premium price for it, the uniqueness ascribed to this product meant they were willing to invest their disposable income in the item and fully appreciate it.

“Eh yea I guess that I am....because of my age the fact that I’m a little bit older than before id have an appreciation more for money now a days. I’m very conscious of not wasting it. Before I didn’t really think of what I bought I kinda just bought it if I liked it but now I’m willing to pay that bit more money on what I buy.” –Laura - consumer

Research Objective 1 – Industry
<i>To understand the role that the recession has played in the changing face of the luxury brand consumer.</i>
Investment
Conformist

4.5 – Investment

It was asked what their opinion of luxury consumers in this post-recession climate purchasing behaviours was. Revealingly, the general consensus from interviews with the industry experts is that luxury brand consumers indicated a continual investment in luxury brands in the post-recession Irish economy. A key theme that should be noted from this Millennial demographics' interviews is the reality that individuals are now purchasing more investment pieces. There is a general acceptance that consumers are now putting more consideration into their purchase than six years ago. These product savvy consumers ultimately want to feel they are purchasing a worthwhile and meaningful item. Generally, the 'impulse buy' notion has declined in luxury brands however the need that is still apparent as is one of brand loyalty.

“Having worked for one of Ireland’s leading luxury department stores I would say they are still extremely interested in purchasing luxury brands. Brands like Celine and Miu Miu really do well considering their dresses are anywhere from 2000-5000 euro.”- Ailbhe - Blogger

4.6 – Conformist

Exclusivity was another theme that came into question in terms of consumers buying habits of luxury brands. It was noted in the interviews that the industry recognises a growing consumer need for 'exclusivity' within the luxury brands that they purchase. However, this type of exclusivity only goes so far as respondents obtaining branded luxury goods brought to prominence by other consumers. This trend following approach is a view shared by a number of respondents.

“I think we’re quite conservative, we’re led in part by what’s actually in the shops but also by what we perceive to be ‘on-trend’, which leads to a homogenisation of what we see people wearing and carrying. It’s the Michael Kors effect - people want what they consider to be exclusive, but when everyone has it, the effect is the opposite. We don’t want to know what else might be out there in case, I suspect, our peers won’t recognise the labels we’re wearing.” – Sarah – Blogger

Research Objective 2 – Consumer
<i>The understand consumer’s relationship with luxury brands.</i>
Reward
Quality – major
Association
Identity

4.7 Reward

The theme of reward was prominent in the investigation of the relationship with luxury brands. Respondent’s answers were extremely similar in relation to what luxury brands mean to them. The notion of luxury brands had created a ‘rewarding relationship’ association with them. Luxury brands for these respondents are viewed as acquiring a status symbol as a personal reward which they feel is deserved.

“Oh god... emmm this is gonna sound hilarious but I guess a reward to myself. Like if I’ve worked hard all month or if accomplished something id treat myself with a luxury like maybe a new bag or something like that”- Marie - Consumer

4.8 Quality

Quality was another dominant factor expressed in relation to the relationship with luxury brands expressed by the respondents. The term ‘value’ created a better impression of quality of products and this was expressed by the majority of consumers interviewed. Quality can be expressed through the intrinsic value that respondents placed on their luxury products. They felt that because they were of a better quality, particularly in the manufacturing and raw materials process, than lower end products, there was a better relationship with luxury products as they valued their acquisitions more.

*“Eh I’d have to say value for money *probed...how do you mean*... they last a long time because they are generally better quality...They make you feel good rather than buying crap.”* - Emma – consumer

4.9 Association

In assessing their relationship with luxury brands the respondents were asked if they associated with people who would purchase and consume luxury brands, this was asked to see how deep their relationships prevailed in a direct non-luxury capacity. The key theme that prevailed in their answers was that for the most part on a subconscious level respondent’s did in fact associate themselves with fellow consumers of luxury brands. This was in the form of family or friends, furthers instilling their relationship with luxury.

“Ehh...Yea my friends actually would buy luxury brands, maybe not them all but a lot of them would like the same kinda brands that I would like... not my family thought their not really into luxury but my friends would be I didn’t really think of that before ... laughs”. – Laura - consumer

4.10 Identify

A key theme that was prevalent in assessing consumers relationship with luxury brands was the notion of creating or adding to an identity to the respondents. When asked if they felt a connection to the luxury brands that they purchase, overwhelmingly the responses were extremely similar. Respondents felt that the connection they have to luxury brands was associated not only with their own identity but also in the brands.

They felt that by purchasing the luxury brand they embodied aspects of that brands identity that appealed to them, this theme was portrayed throughout all the respondents comments in some form when asked on this objective.

“Yea definitely I love my Chanel, the whole experience if I see the channel counter in the airport or a store I always go over to look even if I’m not going to buy anything, I like the brand... it’s like my identity it’s just me”- Gemma - consumer

Research Objective 2 – Industry
<i>The understand consumer’s relationship with luxury brands.</i>
Brand Focused

4.11 Brand Focused

Due to this particular objective being predominantly concerned with the consumer’s relationship with luxury brands, industry experts were asked fewer questions than consumers on this topic. However from the questions they were asked in relation to this objective, the overriding theme was that consumers in the Irish luxury market are brand driven especially in terms of luxury. Industry experts were asked how they would describe the consumers buying habit; largely this brand loyal theme was expressed by each respondent either directly or indirectly. They expressed that they had seen an increase slightly in some brands but that consumers were very driven towards brands that they had previously bought. This suggested a positive relationship towards luxury brands

“God that’s a tough one...I guess having worked for one of Ireland’s leading luxury department stores I would say they are still extremely interested in purchasing luxury brands. Brands like Celine and Miu Miu really do well considering their dresses are anywhere from 2000-5000 euro. Consumers are very brand driven that’s what I would have seen in store.” – Erika – Brand Manager

Research Objective 3 – Consumer
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<i>Examine role that social media plays in creating value for luxury brands.</i>
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Curiosity

Awareness

Experience

Exclusive

4.12 Curiosity

To begin answering these objective respondents were asked what brands they followed on social media; and while there numerous brands were mentioned, a number of the brands were mentioned by all consumers interviewed. These included, Michael Korrs, Channel and Tiffany's. Following on from this as a prerequisite all respondents were vetted for suitability prior to taking part by being asked if they were active on social media which they all agreed they were. The theme information in relation to this theme was prevalent when asked if they would follow a brand that was suggested to them because a friend was following them, this could be on any social media platform. The majority of respondent's noted that they peruse the brand, initially out of curiosity and to ascertain what selection was on offer that might be of interest to their friend. It was noted that while they examine the brand on social media they would not necessarily be influenced in either a positive or negative fashion towards that brand as a result of what they saw.

“Yea out of curiosity and interest... I'd have a look at the page probably but I dunno how influenced id be by it...”- Gemma - consumer

4.13 Awareness

To continue investigating the influence that social media plays in the value creation process respondents were asked directly what influence has social media on their relationships with the luxury brands they purchase. A key theme from the majority of responses was that it creates an awareness of products. It kept the respondents informed; on platforms such as Twitter they were included in different social media campaigns and on in the launch of new products. From creating an awareness amongst them, the respondents noted that this can then create a desire or an excitement for a product that they may want to purchase at some stage.

“It makes it more accessible, I follow a lot of brands on twitter get to see their new items and collections and if you like it you try and hunt it down. Keep me informed. It creates a stronger relationship in a buying capacity maybe if you’re going to be loyal to brand and follow them you’re going to want to then buy it. I guess it adds to the relationship if I end up purchasing the item.”- Greg - consumer

4.14 Exclusive

During the course of the interviews one question that was asked of respondents was their opinion of the latest Facebook creation which is a button to purchase items on the site as mentioned in literature review 2.6. The key theme arising from the answers for this question was the feeling that it would cheapen the luxury brand if it were offered on the site as a feature; this was the opinion for the majority of the respondents. It was seen to be acceptable by those interviewed for use with everyday products but not in terms of luxury brands. If a luxury brand was overly active on Facebook the respondents felt that it would lose its exclusivity and possibly cheapen the brand in their eyes.

A final question put to respondents related to their feelings on the future of social media for luxury brands in Ireland. Here the exclusivity theme came to the fore with the majority of responses. Respondents felt that at present social media did not sufficiently cater to the luxury market in the right context. Once again social media was seen as an information source rather than an influential factor contributing to a purchase decision. Respondents felt that in its present form social media would almost undermine exclusivity felt in purchasing their products

“I don’t think I’d use that much....maybe for everyday products, cheap meaningless products, almost like the late night shopping tv adds, cheapens image if so easy to buy too easy to buy it no experience that you get with luxury brands.” – Marie – consumer.

*“Eh.. I think there’s probably a gap for more exclusive platform of social media, like the ones that are out there at the minute are very main stream, there almost too common. I think there’s a definite gap for a luxury platform on social media for exclusive products. I think that if this happened and if it allowed the brand to say exclusive and still have the appeal to the target customers then I don’t think it’d cheapen it as much as it does currently. *Probed * (if this happened would you buy from a site like this)... I don’t think I’d buy luxury online off this site or any to be*

honest...if it existed I'd probably go there more for ideas and to look at new products. I'd still go the shop ultimately to get the experience.” – Laura – consumer.

4.15 Experience

A prominent theme that emerged throughout the interviews conducted with consumers on the questions relating to objective three was the experience. In an attempt to uncover purchasing behaviour, respondents stipulated to a store being their destination of choice due to the fact that they enjoyed the personal interaction when purchasing luxury brands there. They the consumer build-up and anticipation of purchase, the fact their retail experience enabled them to leave the store with a labelled luxury item in their carrier bag and, depending on the nature of their purchase were able to show it off to the world with ease. They enjoyed the exclusivity that they felt when they purchased in store. This theme also was prevalent in questions posited in relation to the future of social media for luxury brands. Consumers want the ‘hands on’ experience of purchasing the products, and implied they did not get the same reaction when they bought every day products online as when enter a store to buy a luxury item. The sense of anticipation and post purchase high ultimately applied to luxury brands. .

“I'd go to the store to buy it, I don't do online shopping really, I'm not afraid of the scam, I love the feeling of going to the shop and coming out with the bag, sometimes if go online to look at the collection but I'd always go in store to buy it, or someone going away get them to get it for me cheaper but not online.” - Greg - consumer

“Look at website, or magazines, but I'd always go into the store and have a personal connection and experience of buying it in store. I'd buy cheaper clothes online but not a luxury brands. I think if there (luxury brands) on social media too much that it kind of cheapens the brand in particular being in Facebook. It's kind of like mass advertising being on social media... and I guess the more exclusive the advertising the more appealing the brand is to me.” – Gemma -consumer

Research Objective 3 – Industry

Examine role that social media plays in creating value for luxury brands.

Aspirational

Desirability – major

Informative

Experience – major

4.16 Aspirational

To address this issue industry experts were initially asked a series of general questions about luxury brands and social media. To begin with, industry experts were asked if any luxury brands stood out for them in terms of social media campaigns. The consensus for this was that there were no campaigns that stood out for the majority of respondents, one interviewee did remember the campaign with Marc Jacobs.

“I really loved Marc Jacobs collaboration with Diet Coke last year. It was so creative but simple, it got people thinking about him again in a new light.”- Alex – Blogger.

One theme that emerged from the series of beginner questions on this objective was the idea that social media can create an aspirational need in consumers. This was noted by one of the bloggers in particular and was followed through with other comments from the interviewees. Some of those interviewed felt that if a consumer saw someone saw a celebrity wearing an item or using a luxury item that this could create and foster an aspirational need that previously wasn't there.

“More informative in terms of inspiring people to go into and interact with products, a friend or blogger shares something that they like for example a Michael Korrs bag; the consumer will then perhaps covet the purchase.

From my experience thought customers tend to go into the store still to purchase the item, it might be as a result of something they've seen on social media or it may not be. Overall I think social media influences people to go in and interact with the product. In terms of a luxury product I think consumers need to interact with it before they buy the product.”- Aine – Brand Manager.

4.17 Desirability

This theme was extremely prominent in all questions relating to social media that were asked of the industry experts. It was noted that social media had the capacity to create a certain level of desirability for luxury brands among consumers. If the brand introduced new lines for example on Facebook or Twitter it would perhaps create a desire in the subconscious of the consumer that they might like to find out more about this item. The general consensus among the respondents was that this desire had the capacity to push the consumer in the direction of a department store to further investigate the individual product with a professional sales team.

“To me it (social media) doesn’t for luxury brands they are above social media. Websites are good things like gallery site. It might work for more affordable brands but not luxury. Consumers rarely purchase luxury brands online mainly do it to browse products, they want to feel the product before they invest in it, they would only use it (social media) for research products I’ve experienced campaigns on social media and I’ve never seen it work it’s also too difficult to measure.” – Sarah – Blogger.

4.18 Informative

A key theme that prevailed in these questions was the idea that consumers if they used these communities for luxury brands limited their access to using the systems as a source and method of gathering information. The majority of experts did not see the importance of the online brand community in terms of creating a relationship with the luxury brand consumer or influencing their purchase decisions. Yet again, those who spoke of it in a positive fashion saw it as a forum for gathering information. They also noted that while this medium may be extremely popular with other lesser quality items and brands, they were not that applicable in the arena of luxury brands.

“It’s a facility for people to compare, I don’t think they create a relationship with the brand itself, consumers generally have to own something of the brand to have a relationship with it and online brand communities may not have people who actually own the brand they may just covet it.” - Erika – Brand manager.

“Not that effective, it’s more a way for strangers to give their opinions on the brand, it wouldn’t have an influence on the relationship that a consumer has with a product, I’d say

people may look at it for opinions and feedback on the product but would ultimately then create their own relationship”- Ailbhe – Blogger.

4.19 Experience

The experiential theme was the most prevalent throughout the answers given by the industry experts across all of the social media questions in particular. The majority of them noted how customers would still go into the store for the experience, they commented on consumers buying luxury investment pieces and it was this experiential factor of the entire purchase that they felt was extremely important to customers. They noted that this was not something that online or social media at present could replicate. When asked what they saw as the future of social media in luxury brands, their responses were all very similar.

“I don’t think there’s a huge scope for evolvement in the luxury brand sector on social media I think its offline that will continue to grow. The brands are too accessible when you go online only certain people can invest in luxury brands, Brown Thomas will always have a place, there’s no love online in terms of luxury brands, there’s no room for error. Customers are paying for the experience. Online is improving for luxury in that it highlights what you have to offer but that’s where it ends I think.”- Sarah – Blogger.

“Investment not in terms of social media but online and more of a link between offline and online, Harvey Nicks has just done a full online rebrands, luxury brands do need to have a presence on all aspects not just social media but advertising online and printed press, the likes of Brown Thomas are putting their money into their rebrand into their store in terms of luxury brands. I believe that customers will still purchase in store, you need to interact with the product one way or another. People love the experience of coming to the store going to the likes of Grafton Street going to Brown Thomas, I mean there are still queues of people outside there after Christmas it’s all about the experience.” - Erika – Brand Manager

Chapter 5 – Discussion

5.1 – Introduction

The chapter will discuss how the overall research question and objectives have been answered in addition to exploring both consumer and industry views relating to this research. The aim of this research was to examine the relationships that Irish Millennial consumers have with luxury brands and an exploration of whether social media had the capacity to create a greater emotional connection and ultimately influences purchase decisions. This chapter will begin with an outline of the impact and of the recession on luxury consumer spending, pinpointing the relationship Irish consumers have with luxury brands. Finally the chapter will discuss the role of social media and its impact on both the purchase decision of luxury brands for consumers and the relationship with the consumer. Current thinking on this topic accessed from various forms of academic literature, combined with the views of both consumers and industry experts taken from numerous interviews have been taken into consideration in this piece of work. Furthermore, this chapter will initially illustrate key findings in this area and follow on from this, outlining details of lesser sub-findings.

5.1– Consumption

As previously mentioned in the literature review conscious consumption is defined as the motivational process by which individuals strive to improve their social standing through conspicuous consumption of consumer products that confer or status for both the individual and surrounding others (Eastman et al 1999). It was important for this research to initially address the purchase behaviour of the consumers being interviewed all of whom now reside in a post-recession environment; this consideration was due in part to the ideas posited in academic literature where views on consumption factors of recession consumers were outlined in great depth. According to Debard (2004), while the sales of luxury items has decreased somewhat, it appears that luxury items have the most brand loyal customers. Taking this concept into consideration, it was important for this research to have an understanding of how consumers were affected in a pre-recession climate.

That luxury brand consumers in Ireland are tremendously loyal to their preferential brands and this mirrors with the previous point made by Debard (2004). However, research revealed through interviews indicated that all consumers purchasing habits remained unchanged with the purchase of luxury brands after the recession. In fact all our respondents indicated that if they had the money their personal preference would be to purchase luxury products. Others stated they were now in a position to use more of their disposable income on luxury products due to the up-turn in the economy since the fall of the Celtic Tiger some six years previous. This slightly contradicts Reynecke et al (2012)'s view of younger generations in which he states that highly visible symbols of wealth are seen as somewhat decadent by younger generations, this trend can commonly be seen after consumers have experienced a period of economic difficulty.

5.2 – Experience

This was another key revelation amongst both consumers, and industry experts. When asked about purchasing luxury products, all consumers stated that they may use social media as a resource to obtain information, however the end purchase would ultimately be accessed via a personal visit to the department store. There were indications that consumers were open to purchasing lesser quality goods online, and so they were not averse to online shopping per se but when it came to luxury brands they all craved the experience of going into the store and purchasing that item. This was consistent with the industry experts who suggested this opinion, stating that high end stores such as Brown Thomas had recently renovated their shop to facilitate the experience that luxury brand consumers expected with their purchases. In terms of the literature while there is consistency here with brand loyalty, little research has been undertaken pertaining to the influence of social media on creating the experience that customers fulfil when purchasing in store.

As stated in the literature review, there are benefits for company's using social media namely, firms can reach out to people that otherwise could not be reached (Dong-Hun 2010; Newman, 2003). Social media can establish and raise brand awareness (Fannin, 2011; New media age, 2010). Social media can boost sales through consumers visiting a brands page in social media it is probable to result in traffic generated to the brands website and therefore result in increase in online sales (New Media Age, 2010).

This research however counters the boost in sales arguments, and while social media may be working for some brands and industries, both consumers and industry experts in this study utilised social media as a source of information rather than a point of purchase for luxury brands. The importance of the 'hands on' personal purchase experience by consumers in the area of luxury brand purchases, as outlined by both consumers and industry experts concurs with elements of Grotts & Johnson (2013) who state that possible factors that influence luxury consumption include image, quality, fashion, store atmosphere, and patron status. Status and conspicuous consumption provide consumer the means to depict level of status they truly may or may not attain.

5.3 – Exclusive

Exclusivity was a minor factor amidst the findings that emerged from both the industry and consumer interviews. There was general consensus that a luxury brand whose profile was over publicised on social media might impact and ultimately cheapen the image and supposed exclusivity of the brand. According to Jin (2011), luxury brands face challenges in how to maintain brand integrity whilst at the same time harnessing the power of user generated content and social networking sites. This was consistent with the findings of this research.

5.4 – Risk

When asked about the future of luxury brands and social media in Ireland both consumers and industry experts noted that they felt going online was ultimately accessed as a fact finding mission, a source of information, rather than a means of purchase. Once again, this was due in part to exclusivity and experience. Bansal and Voer (2000) state that during the process of purchase decision making the customer will be affected by perceived risks and that the higher the risks are the more information the customers will gain from word of mouth which can be experienced through online brand communities.

While online brand communities may help to reduce perceived risk for other brands the consensus amongst the interviews conducted in this research amongst consumers was that in terms of luxury brands they would not reduce any risk nor encourage them to purchase online or through social media if it was available.

5.5 – Investment

A final minor finding that was relevant to this overall research objective was the notion amongst consumers and industry experts that they were purchasing luxury brands as an investment piece in today's climate. Consumers stated that they are putting more thought into their purchase, whereas during the period of the Celtic Tiger, they indulged in impulsive purchases ultimately acquired with the disposable income available at that time. Ultimately, in this era of frugality, consumers are conscious of the reality that we are just coming out of recession and today have a greater appreciation of money. This would suggest some justification for spending the money and is consistent with DeBard (2004) who states that consumers are willing to save up their money for these luxuries items they justify paying top prices by saving and reducing spending on lower priced items that they use.

Further research focusing on specific luxury brands is recommended. In particular, focus might be placed on undertaking both qualitative and quantitative research amongst those consumers currently utilising social media to purchase the brands under investigation. Also amongst those end users of luxury brands who do not use social media could be rolled into this research. Finally, further research might be undertaken into the driving forces behind the consumers who purchase luxury brands online as while this research did not come across consumers who purchased in this manner, one can assume that there are those out there who may.

Chapter 6 – Conclusion

The propose of this research was to examine the relationships that Irish Millennial consumers have with luxury brands and whether social media creates a greater emotional connection and influences purchase decisions. It began with an analysis of the literature that is currently available. This was split into different headings, these being conspicuous consumption, Brand communities, Virtual Communities, Luxury brands, Millennial consumers and Social Media. These topics were chosen as the researcher felt they were the most appropriate to understand fully the existing thoughts of academics in this field. Conspicuous consumption spoke about the changes that can occur to consumer buying behaviours in a post-recession environment. It addressed how luxury brands have continued to grow despite the economic difficulties that consumers are facing. It described the different types of luxury brand consumers that exist, and considered the notion that consumers may put more thought into their purchases than in previous times.

From here the research discussed brand communities, in particular the pivotal role that these can play in the relationships that consumers create with various brands both in an online and offline capacity. Brand communities provide a social structure to the relationship between the luxury brand and the consumer Muniz Jr & O’Guinn (2001). This section examined the importance of brand communities in particular the feedback from other consumers who participate in them and how they can reduce the amount of perceived risk involved with certain purchase that consumers may experience. The literature review was split to discuss in detail the two main types of brand communities these being online and offline. One of the points noted in the literature was that online brand communities are critical for luxury brand as they differ from traditional online communities due to their commercial nature and their member’s common interest, admiration, sympathy and even love for a particular brand Brogi et al (2013). This section was important as the role of brand communities was assessed during the qualitative study.

Luxury brands in general were examined to evaluate what the literature denotes to be important for this topic. It was pivotal for this research to be fully abreast on the existing knowledge on this topic in particular as it was basis of this current research. It was interesting to note that in this particular section according to Hagtvedt and Patrick (2009) there is an increasing trend that luxury consumers are increasingly pursuing products that proved emotional benefits and pleasure.

This was something that was investigated in this research through questions asked of consumers and industry experts. This research found that there is a current belief in Ireland amongst consumers and experts that luxury purchases nowadays are done so with a view of being an investment piece. All consumers derived pleasure from the experience of purchasing luxury brand items.

The next section that was evaluated in terms of literature was on Millennials, this section described who this segment is in terms of age and also in terms of lifestyles. It gave some interesting insights into their purchase behaviour which were further addressed in this study. This section was paramount to this research as this was the target market whom was interviewed. According to Caplan (2005), Millennials want products that match their lifestyle or personality, which is why brand is of almost no importance. This idea is supported by Rithcie (2005) who is of the opinion that due to their constant bombardment with advertising and promotions they are less brand loyal than previous generations. This research was of particular importance to this research as the results of this which were discussed in the findings and discussion section countered this argument as all consumers interviewed stated that they were brand loyal an idea which was also supported by the industry experts. Social media was the final section to be investigated in terms of literature. This section described why brands use social media and how it can be of value to them.

After the literature review this researcher detailed how they were to conduct the methods of the study this was done by using literature to explain the choices. For this study qualitative methods were decided upon as they would best answer the research questions and objectives. A non-probability sample was chosen as there was a lack of access to an entire population for answering this research. . The age ranges of the consumers were from 24 – 28 years of age. This age fitted into the millennial segmentation. The industry experts were not asked to reveal their ages however, they were within the 26 – 30 age brackets. The consumers and face to face industry interviews were recorded using a recording device with the key themes noted on paper. The findings of the research were then compiled and elaborated on, after this there was an in depth discussion on the key findings.

This research found that consumer habits had been unaffected by the recession, that some consumers had even increased their purchase behaviour of luxury brands. In terms of social media there was agreement amongst the consumers and industry experts that luxury brand purchases in Ireland are very much experiential, with consumers thinking longer prior to purchase. In terms of social media there was no greater or less emotional connection made between the consumer and the luxury brand nor was there much of an influence in terms of their purchase behaviour. Consumers and industry experts noted that social media was used for only informative purchases with one or two consumers saying that luxury brands being ever exposed on some social mediums may lead to a cheapening of the brand in their minds as this exclusivity factor they associated with them was lessened.

As stated in the discussion section there is scope for further research on this topic of luxury brands and social media, this could be amongst users who buy luxury brands online and their motivations for doing so. This research has been important for the marketing community in a number of ways, in particular it examined the relevance of social media. With so many brands both luxury and non-luxury investing time and resources into having a strong social media presence this research found that in terms of Irish consumers of luxury brands this was not something that they found to be of importance, it did not nor did it have a major influence on their purchase. This research also found that of those interviewed both in consumer and experts experience was a key factor in the purchasing of luxury products, with very few consumers opting to purchase online especially through social media.

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Appendices 1 – Consumer Interview Sample

How often do you purchase luxury brands?

Once a month depends on what I need so if it's something I'd buy that's running low I'll buy it and if then related items are on special I'd buy them all together

What do luxury brands mean to you?

Oh god...eh a reward for myself I guess. If I've worked hard say all month like if I've accomplished something. I guess ultimately a treat for myself

Has your purchasing of luxury brands changed over the last six years?

Yes, I'd go for more expensive things now based on progression of my career can afford more things now, can afford more expensive things.

If you had to cut back on your spending where would it be?

Yes I would change other elements, like I might buy cheaper clothes online but I'd keep luxury the same. I'd be more open to online shopping for other things.

Are you more conscious of the luxury brands that you buy now?

I guess I've more appreciation for money ha I don't know if that's cos I've gotten more mature or not. I'd be more conscious of not wasting money but not about the brands. Before I might not have thought about what I bought, but now I'd be willing to pay more money on the luxury items that I buy.

Has the recession impacted your luxury brand purchases? If so how?

I'd think more if I'm spending a large amount of money on an item but it hasn't affected me buying them in the end, I think if people want to buy luxury brands and they can afford it then they will.

Do you know people who buy luxury brands?

Yea a lot of people I know would use them, wouldn't know a lot of people that would get the bags that, they might get it as a once off and that's it.

What luxury brands if any do you follow on social media?

Michael Korrs, Mac, Benefit, Chanel, Louis Vuitton, Tiffany more so brands that I have an interest in.

Would you be more inclined to follow a luxury brand online if you see your friends had followed them?

Maybe it depends if I've an interest in the brand, possibly out of curiosity too but I would have pretty specific tastes to the brands that I like. Yea I'd be quite loyal to them

What influence do social media have on your relationship with luxury brands?

The likes of Michael Korrs watches there on all social media, a lot of bloggers that re selling jewellery seeming to team up their jewellery with it, I suppose it has a positive influence tells me what's there know what's new, if I had an interest in a particular item of a brand popping up everywhere wouldn't tend to buy it cos people have it.

If you wanted to buy a new luxury product how would you go about it?

I'd go to the store to buy it, I don't do online shopping really, I'm not afraid of the scam, I love the feeling of going to the shop and coming out with the bag, sometimes if go online to look at the collection but I'd always go in store to buy it. I'd buy cheaper things online but there's lots of hassle about it.

Recently Facebook launched a new button to buy products on their site would this be something you'd be interested in and why?

Maybe for everyday products like cheap meaningless products, it's almost like the late night shopping TV adds I think it cheapens image if so easy its almost too easy to buy it there's no experience that you get with luxury brands online.

Would you feel a connection to the luxury brands that you buy?

Yea I buy for the quality so I would appreciate them more, always buy mac and go into the store to buy it. Like the structure and better quality then high street products.

What is it that you feel luxury brands say about you?

That you care about yourself, treat yourself, buy yourself nice things, the name the brand, good quality, cos its fancier, that I like nice things.

What would you see to be the future of luxury brands for Irish consumers on social media?

I think there's a gap for more exclusive platform of social media, the ones that are out there at the minute are main stream too common. I think there's a gap for a luxury platform on social media for exclusive products. If it allowed the brand to say exclusive and still have the appeal think it'd be good. I don't think I'd buy online though ever for luxury but I'd go there more for ideas and to look at new products.

Appendices 2 – Industry Interview Sample

How would you describe the Irish consumers buying habits in terms of luxury brands?

God that's a tough one...I guess having worked for one of Ireland's leading luxury department stores I would say they are still extremely interested in purchasing luxury brands. Brands like Celine and Miu Miu really do well considering their dresses are anywhere from 2000-5000 euro. Consumers are very brand driven that's what I would have seen in store.

What social media platforms do you consider most relevant to Irish consumers in terms of luxury brands?

Pinterest and Instagram mostly, I don't think that Facebook is that appropriate for luxury brands.

Does your site follow any luxury brands on social media? If so what ones ?

Prada, Miu Miu, Marc Jacobs, Tiffany & Co, Chanel, Celine and Valentino.

Why do you use these site?

Everything from the high street is copied from luxury international designers. Everyone has aspirations that one day they will own that Celine bag they have dreamt about. For me I follow these brands because I love them but also because I want to see what's new for the coming season.

What social media campaign has stood out to you and why?

I really loved Marc Jacobs collaboration with Diet Coke last year. It was so creative but simple.

In your opinion, how does social media affect the purchasing behaviour of Irish consumers?

To me it (social media) doesn't for luxury brands they are above social media. Websites are good things like gallery site. It might work for more affordable brands but not luxury. Consumers rarely purchase luxury brands online mainly do it to browse products, they want to feel the product before they invest in it, they would only use it (social media) for research

products I've experienced campaigns on social media and I've never seen it work it's also too difficult to measure."

In your opinion, what role do online brand communities play in the purchase decisions of Irish luxury brand consumers?

It creates interest but that would be all, it might encourage people to visit the product and the store, ultimately though I don't think it influences decisions because people would still come into the store and that's where the influence is.

In your opinion, do you think that Irish consumers are influenced by social media to purchase? What makes you think this?

Yes they are. We are only a small fish in a large pond when it comes to fashion. If a consumer sees a garment on a celebrity for instance Cara Delevingne for Topshop got a massive reaction on my blog a few weeks back. My readers saw this on Facebook which in turn creates excitement for the consumer to want to go and purchase this collection as soon as it hits the stores. Irish consumers pay attention to certain things on social media as social media is not only Ireland it is the entire world of fashion.

In your opinion, how do Irish consumers use social media to research before they purchase a luxury brand?

I think they mainly shop around for price. If there is a specific bag they cannot find in the Irish stores, they will turn to online. They will use Pinterest and Instagram for this as they have styled outfits/look books for them to see the outfit all put together.

In your opinion how effective are online brand communities that feature on social media for creating relationships with luxury brands?

Not that effective, it's more a way for strangers to give their opinions on the brand, it wouldn't have an influence on the relationship that a consumer has with a product, I'd say people may look at it for opinions and feedback on the product but would ultimately then create their own relationship.

In your opinion have Irish consumers luxury brand purchases changed since the recession has hit? How so?

Not really, people are slightly more price conscious however the rich are still rich in Ireland. Working for the luxury department store made me see this first hand. There is no recession for the rich in Ireland. If they want that bag/shoes they will still purchase it regardless. People are buying more as an investment piece rather than an impulse; consumers are thinking more about their purchase maybe look into it a bit before they decide.

How do you see the luxury brand industry evolving on social media in Ireland in the coming years?

I think its evolving slowly, more people are looking online than in previous years, however I still think that it would be used for the most part as information rather than a method of purchasing, people still like the experience of coming to the store and buying a luxury product.