Research on the Advertising Strategies in Luxury Marketing

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Abstract. As China’s luxury market expands, the localization of brands has become a thorny issue. Advertising strategy is important to give the brand meaning, increase the brand heat, and attract consumers. Due to the particularity of the luxury industry with the rapid pace of innovation, the advertising narrative can stimulate the brand’s creativity to keep the brand with a steady stream of vitality. The role of luxury advertising is literally to advertise luxury brands or products, that is, to convey and express the value of brands and products to the audience, and to use certain publicity methods to obtain the greatest benefits. Therefore, advertising that conforms to the “symbolic meaning” of the brand plays an important role in luxury marketing. Advertising design should meet the consumption needs of Chinese consumers, pay attention to the aesthetic positioning and artistic cognition of the target consumer groups, and maximize the marketing effect.

Keywords: Advertising strategies; Consumer behavior; China; Luxury marketing.

1. Introduction

1.1 Research Background

With the continuous development of modern commercial society and the change of individual economic concepts, the luxury market continues to expand, so luxury operation methods are constantly being created. The continuous rise of luxury consumer groups has led to China’s “big cake” quickly attracting global attention. The world’s leading luxury brands such as Louis Vuitton, Christian Louboutin, Tiffany, Chanel, and others have entered China, placing high-density and wide-ranging advertising for brand promotion and promotion. It can be seen that Chinese consumers are one of the main drivers of the global luxury market.

Bain & Company and Italian luxury industry association Fontazione Altagamma jointly released the “2019 Global Luxury Industry Research Report (Autumn Edition)”. The data shows that the luxury industry continues to grow amid increased geopolitical uncertainty and economic recession fears worldwide. From 2015 to 2019, the global consumption scale of luxury goods by Chinese consumers showed an upward trend; in 2020, it declined due to the impact of the epidemic, about 59-63 billion euros. Despite the increasingly severe global social and economic challenges, China’s domestic luxury market (excluding Hong Kong, Macao, and Taiwan) will maintain rapid double-digit growth in 2021. With some brands growing at more than 70%, Bain expects Chinese consumers to recover quickly from luxury spending to 150-180 billion euros in 2025 [1]. It can be seen that China’s luxury market is vigorous.

However, the history of academic research on luxury goods is very short. Still, it contains an extremely wide range of content, including psychology, marketing, decision-making, communication, etc., which shows the lack of advertising and marketing research on luxury goods and the importance of this research.

1.2 Research objectives and significance

In the case of large luxury goods entering China, the luxury goods market continues to expand, the market share is rising, and brands are grabbing their markets and consumer groups. Currently, the scope of consumer contact with luxury goods is expanding, the frequency is rising, and the research on advertising marketing in luxury marketing is becoming more and more relevant. The continuous development of high technology has led to the rapid arrival of the new media era, and diversified cross-cultural communication has become increasingly complex. Luxury brands have a long history...
and rich connotations, but luxury brands with deep roots should also keep pace with the development of society and technology. Therefore, this relies on the combination of advertising to promote and publicize and constantly enrich its charm, special symbols, and local characteristics.

Because the consumer population of the luxury goods industry is too specific, luxury goods must maintain scarcity and nobility to stimulate the desire to buy, so its requirements for advertising are also extremely high. Unlike ordinary brands, luxury advertising emphasizes spiritual pursuit, ambiguity, vague and mysterious meaning, and skillfully combines classic art and elements. These need to be expressed through special and recognizable "symbols". Saussure pointed out that symbols are a dual relationship between signifiers and signifiers, where “signifier” is the sign’s content, the thoughts, feelings, or meanings conveyed by the signs [2]. It can be seen that the narrative is not an empty utopia but is expressed through abstract or figurative symbols. The symbols in the advertising narrative all exist for the spread of a certain culture and serve to construct a cultural construction in an orderly state [3]. With the development of the luxury industry in full swing, it is believed that the advertising strategy will be studied at a higher level and more thoroughly. The study of luxury advertising strategies hopes to help more brands expand their awareness and learn from emerging domestic brands to promote the development of advertising strategies.

1.3 Research gap

Through reading and analyzing a large number of research and articles on luxury goods at home and abroad, most scholars mainly studied the DNA, ICONS, definition, and development trend of luxury goods. Further layering is a feature of brand communication or advertising. Few articles have studied and dissected the importance of advertising strategies and current problems.

1.4 Research framework

First, this document will describe the definition and marketing characteristics of luxury goods and further discuss the positioning of advertising from a marketing perspective. Consumers should not be separated from brands, so explore the characteristics of luxury consumers facing brand advertising. Second, as a luxury, it should reflect a strong sense of difference from other brands, with high standards for advertising strategies within a controllable economic range, i.e., focusing on the brand’s cultural, historical, and spiritual aspects, rather than the material aspects. Next, through some previous cases of brand advertising marketing failures, the current situation and existing problems and limitations of advertising marketing are analyzed, and personal statements and optimizations are proposed, emphasizing the realization of localization.

2. Methods

This study fully uses the knowledge of known luxury advertising strategies, combined with the film and television materials of major luxury brand advertising. It uses the literature research method and case analysis method to study the importance of luxury advertising to consumers fully, the current situation of luxury advertising, the existing problems, the future development status, and a series of key points for analysis.

2.1 Literature research

In order to ensure the professional and academic value of this article, when studying this topic, the relevant books, journals, materials, and literature on the advertising and marketing of luxury brands have been fully consulted online and offline. And in Baidu literature and CNKI, log in to the relevant luxury official website and other network channels to read, collect, and sort out. In the process, take its essence, add personal ideas, and understand and analyze domestic and foreign scholars’ articles, views, ideas, and expectations. From the perspective of consumers and entrepreneurs, we will deepen our understanding and draw on the theoretical achievements of our predecessors in this research topic.
to lay the theoretical foundation of this paper. And on this basis, it was deliberated and absorbed, thus piling up this article.

2.2 Case analysis

This article takes the advertising of well-known luxury brands such as Louis Vuitton, Burberry, DOLCE & GABBANA, and BALENCIAGA as typical cases as a typical case. It summarizes each brand’s trends’ DNA with the evolution of advertising symbols. Through the real and objective analysis of the characteristics of advertising communication of major luxury brands, the differences and emphases of advertising marketing between Chinese and Western cultures are found, and the problems are found. The regularity or aspects that need to be improved are summarized for reference by the localization of luxury brands. Through the events and examples, we can more intuitively and vividly understand the importance of advertising and marketing for brands.

3. The meaning and characteristics of luxury advertising

3.1 Characteristics of luxury advertising

Before the consumer can purchase the goods, they must become a symbol, these symbols have cognitive significance and class stratification in the consumer’s minds, and people buying goods are essentially consuming cognition and value. There are many types and meanings of symbols, such as explicit and suggestive meanings, Epitaxial and connotative meanings, and Indicative and differentiating meanings [4]. Advertising is the symbolic existence of information retention in people’s minds; when people see or have purchasing behavior, the advertising fragments stored in people’s memory will be quickly awakened to influence people’s decisions. Therefore, if you want to rely on advertising to evoke the association in the minds of consumers, you must make the advertising symbol unique, so when arranging the symbol, you must make the advertisement highlight the purpose of differentiation, personalization, and unity with the brand concept. “It is not so much a need for a particular object as a need to show the difference (the desire for social meaning) [5].” The difference in the value of goods is caused by advertising performance and results. The commodity is only an ordinary and useful object; when it is produced, it is not given any spiritual and communication meaning, and advertising plays a crucial role. Advertising itself cannot change the quality and content of the product, but advertising has created a unique product with intrinsic meaning and brand tone. And from the visual and auditory aspects to attract and guide consumers to generate a desire to buy, sales continue to rise. Since we want to bring consumers an audiovisual feast, we must pay attention to aesthetic mood and taste and the ingenious marriage with classical art. Therefore, the creation of advertising should integrate the audience and target group as an important consideration into the advertisement, considering many factors, including its cultural and artistic psychology, aesthetic value, erotic meaning, cognitive ability, etc.

3.2 The core of advertising communication - the use of consumer conformity psychology

A story is told in every ad that takes just a few minutes or even tens of seconds. Like the famous thinker, Roland Barthes said, the narrative exists in this world; he has countless times, he involves a wide range of content, and he exists in any society, in any age, in any situation, whether it is language, image, painting, or symbols [6]. With the continuous development of digital media, the scope of narrative application is also expanding, especially in the luxury industry, which is rapidly updating. It is more necessary to continue innovating in the narrative. At the same time, the advertising narrative also brings a steady stream of creativity to the brand, stimulating the source of the brand’s continuous progress. The target audience is becoming increasingly discerning, and the requirements for culture and art are constantly improving. In order to cater to the absolute perfection, high quality, and personalized dignity in their eyes, luxury brand advertising needs to achieve a perfect integration of sensibility and rationality, such as showing the exquisite production of goods, the superb craftsmanship, rare materials, unique design, and luxurious and beautiful living environment of
advertising characters; It is also necessary to emphasize its sense of ceremony, which represents a certain important meaning and has a special meaning, and only by making both aspects perfect can it satisfy the consumer’s sense of belonging to the brand and the deep recognition of the tone of the product.

The core of the content of advertising communication is to convey the information and emotions to be expressed by a brand and a certain product to the recipient through their respective media in a concrete symbol. But how can the channels for completing this information flow be expanded to the maximum? That is to make breakthroughs in the communication between people and the impact of people’s behavior. Because the purchase of luxury goods in China is more and more deeply influenced by the awareness of face and the psychology of conformity.

Herd mentality refers to the fact that when people are disturbed by information from the outside world, they will act the same way as others based on their cognition and judgment. Cooley (1902) gives a herd description: others form certain views in their minds about the appearance, etiquette, purpose, behavior, personality, friends, etc. of the individual, and the individual has a certain imagination of these (others) views, and this image often influences his behavior. That is to say, the individual’s understanding of himself begins with the evaluation of knowing others. The evaluation, attitude, and behavior of others towards the individual are like a mirror, allowing the individual to understand himself, define himself, and form a corresponding self-concept [7]. Of course, in daily consumption, such as shopping in the mall, when you see many people coming out of a certain store in large bags, others will inevitably follow the past to buy. This is a state of mind that “goes with the flow”. It can be seen that as a common psychological phenomenon, as long as the brand is positively utilized, the utilization rate of advertising can be greatly improved, inducing consumers to bring greater benefits to the brand. Marketing scholars believe that the use of herd psychology as a special marketing method belongs to the promotion behavior in 4P. Still, it must also be recognized that the consumer’s herd psychology is based on high-intensity trust in advertising. If you are skeptical of advertising, it will lead consumers to think independently. So the advertisement needs to be attractive enough; have Sufficient credibility; Theoretical sources must be reliable.

It is necessary to expand the size of the recipient’s group in disseminating advertising, reduce its opposition, and use the authority of the communicator or the masses.

With continuous research, a large factor influencing whether people have a herd mentality lies in the size of the group around a thing or concept. The tendency to conform to the crowd will increase as the group grows. Secondly, in a group, everyone agrees. The fewer voices of opposition and hesitant behavior, the more likely it is to induce a herd mentality. The stronger the consistency of the members in a group, the greater the impact on the thoughts and behaviors of the members. Finally, it is necessary to use authority to produce a prestige effect in people’s minds because authority and trust play an important role in using herd psychology to disseminate advertisements better [8]. Moreover, the recipient’s identification of advertising content can be transformed into a belief in information content.

4. Result and Discussion

4.1 The case of luxury advertising “not acclimatized”

Balenciaga is known for being funny and funny in creative ads, but Balenciaga sparked a buzz in Tanabata ads in 2020. Color matching old earth picture style; Love effects larger than the model’s face; Straightforward, so the copywriting has brought people a powerful impact on the “low”. It is not difficult to see the deep misunderstanding of foreign luxury brands about Chinese elements, the lack of understanding of Chinese culture, and the superficial design. This made Balenciaga, from the initial desire to use “earthy culture” to attract the attention of young consumers, but did not expect that in the eyes of consumers. Not only discarded the high-end image as a luxury brand but also malicious connotation and looked down on the aesthetics of Chinese consumers. Considering the current situation, in the current epidemic era, this advertisement bluntly writes words such as “he
loves me” and “you love me” on luxury goods, which annoys people’s reflection on current consumerism. People hate directly converting feelings into luxury goods with money or marked prices. The vast number of Chinese netizens will inevitably resist this advertisement.

As 2019 approached the New Year, brands took the opportunity to create momentum in China. Burberry invited Chinese actresses to take a group of family photos. But due to the lack of understanding of Chinese culture, the photos that should have been warm and ritualistic revealed a strong eerie atmosphere, and the two female stars were photographed with a sense of abuse and resentment. Burberry does not understand the meaning and principles of the Chinese family portrait. First, the brand does not express obvious family relationships and should stand in a small family unit. Secondly, the characters in this group of photos do not achieve a uniform clothing style, which makes people not feel ritual and connection at first glance. Then, without feeling the intimacy, mutual trust, and happiness in the photograph, the individual characters have serious expressions and stiff limbs. Coupled with the fact that its background is like a ruin, the whole tone is cool gray, etc., which makes this promotional advertisement presented in the wrong way.

4.2 The necessity of localization advertising strategies - to capture the characteristics of Chinese consumers’ consumption behavior

The major luxury brands see that the Chinese market contains great vitality and have successively wanted to expand the local market. Still, with the frequent attention and rising national tide culture in China in recent years, not only in the market but also in terms of culture, the major luxury brands in China are facing an important turning point.

With the awakening of a new generation of young consumers, they are committed to national confidence, cultural identity, and heritage. It is coupled with the continuous efforts of more local brands to optimization of brand image and continuously upgrade marketing models. Many local brands have established a more successful national tide brand image in the minds of consumers and have also gotten rid of the inherent cognition of product aging. This drives luxury brands to more quickly understand the differences between Chinese and Western cultures, bringing about differences in the market, media, consumer behavior, and habits to achieve localization marketing to seize the Chinese market.

The importance of advertising can be seen in today’s luxury market. Still, local advertising is in a weak position under the pressure of the mainstream in the West and lacks fresh, innovative ideas. It is necessary to recognize that the true competitive nature of advertising is the relevance and quality connotation of creativity. From a cross-cultural perspective, Chechinato Francesca wrote in Advertising in China’s Luxury Industry: Standardization or Adaptation? Comparison between China and Italy” uses the comparative method to elaborate on the advertising situation in China and Italy to express the importance of local customs to advertising content [9]. There are huge differences between China and the West in terms of not only food, clothing, housing, and culture, but also terms of food, clothing, and transportation, and they cannot blindly cater to Western culture.

Advertising should not blindly rely on the stacking of elements but should deeply identify with Chinese culture. Incomprehension and cultural conflict will cause the local market to regurgitate. But if the perfect use of cultural resonance can pierce the cultural barriers with China, achieve zero-distance dialogue with the audience, and better understand the changes and needs of the audience and the market. Chinese culture is broad and profound, and the brand is easy to enter misunderstanding of only using the appearance color, element stacking, and abuse. This loses the original tone of the brand and impacts the local culture. Only through the appearance of the elements to deeply understand the cultural core concept can we create ads and products that conform to Chinese and even international aesthetics. Under the blessing of cultural charm, advertising can achieve wider coverage, greater communication, and deeper acceptance. Brands can also achieve localization and a better understanding of consumers and the market. They can also bring Chinese cultural transmission and traditional elements to the world through transnational advertising and brands to achieve a win-win situation between brands and culture.
Under the continuous localization of multinational brands, they all recognize the importance of audience psychological occupation, and the core of local competition is culture. The 2017 LADUREE Christmas Limit incorporates Chinese fan shapes into the design; Since 2012, Piaget has launched a Chinese zodiac limited edition watch every year to welcome the New Year for China through the brand’s traditional handmade filigree enamel process. In 2011, Prada funded the renovation of the Shanghai Rong House after 6 years. All of these staged the collision of art and tradition and brought Chinese culture’s unique charm to the world.

4.3 Localization of luxury advertising language

Language embodies a country’s cultural heritage, historical background, social development, and lifestyle. Advertising localization requires advertising language to follow the principle of cultural adaptability and comprehensively compare the gap between different Chinese language systems to grasp the differences in consumer psychology and behavior between various countries. A sentence in the same language in the same country will also produce ambiguity or even directly express the opposite meaning due to different dialects, different speaking tones, and different sentence breaks in different regions, so in the advertising slogan. It is necessary to avoid the lack of context that makes consumers unable to judge the meaning of the word and misunderstand accurately.

On this basis, advertising copywriting should pay attention to integrating young people’s values and improve the attention of young consumers to advertising copywriting.

First, use network terminology flexibly. Internet language has the characteristics of keeping pace with the times, fast communication speed, easy understanding, humor and humor, fashion sense, and affinity. Reasonable use can enhance brand characteristics, effectively narrow the distance between brands and consumers, attract more attention and leave a deeper impression. As a result, more and more companies use this in advertising copywriting to maximize the value of online language. However, the popular words used require high linguistic beauty and scientific rigor, and it is necessary to study the suitability with the brand, whether the tone is unified, and whether there is a high degree of compatibility with the product features. And from the perspective of consumers, audiences, and brands, it is necessary to confirm that the positioning of online language in advertising copy is accurate and has reasonable effectiveness and scientificity. Before using it, it is necessary to study the source and background of the network term to be applied because the source of the network term is the Internet, so it should be used with caution to avoid all ambiguous words.

Second, it must have memory value and readability. Through the “just do it” series of advertisements, Nike quickly launched a slogan and became the first brand of sporting goods, and this slogan is in line with the mentality of teenagers who want to do what they want, maverick and different. In 1944, N.W. Ayer & Son coined the slogan “A Diamond is Forever” for De Beers, which is as perpetual as its brand’s diamonds and is regarded as a classic by advertising. These advertising words that can directly hit the hearts and minds of the audience have the characteristics of concise language and distinct meaning. The readability of advertising copy influences SEO, determining conversion rates and content effectiveness.

4.4 Break the wall with z-era

Under the trend of consumer rejuvenation, the current consumer preferences are more inclined to diversify marketing strategies than traditional advertising marketing methods. In recent years, as major luxury brands have been challenged by “brand rejuvenation”, it is urgent to break the circle among millennial consumer groups. Brand advertising has focused on expanding deeper and younger consumer markets, cultivating more potential consumers by attracting young people. Interest in expanding the market by consuming luxury goods has become a thorny problem for luxury brands in the context of global economic integration. The most important thing for brand rejuvenation is to establish a brand and establish a brand association for millennials. So, first of all, we must resonate with young consumers regarding lifestyle, psychological quality, cultural knowledge, and values. Combine multiple elements such as brand, product, experience, communication, and other elements,
and work together to root the brand concept in the minds of consumers around every touchpoint in the lives of young consumers.

4.4.1 Recognize content as king

The new generation of young people has enjoyed the dividends of economic development. China’s economy, science, and technology have developed rapidly, so they have strong online social needs, and it is more convenient to find their favorite circles. The Internet’s video, picture, and text content are more diverse. Bilibili, TikTok, Youtube, and other platforms have developed rapidly and driven e-commerce and related consumption. It is not difficult to see that relying on the public space provided by the Internet to create has become a new business model and an important way to expand self-worth. But to stand out in a wide range of content, it is necessary to be constantly innovative and meaningful. In the eyes of millennials, content creation is the main way to expand their social circle and express themselves. If brands can make perfect use of the medium of the Internet to create good content, it can greatly drive the crowds and sales involved.

4.4.2 Break with the inherent way of advertising

According to the Bain report, the online penetration of luxury sales in China has increased from about 13% in 2019 to 23% in 2020, and leading commercial real estate developers have brought record sales figures, with an annual growth rate of 60% compared with the same period last year [10]. Online live advertising is gaining momentum in the post-epidemic era, seriously affecting the original market economy. Affected by the general environment, major brands have reduced their budgets for advertising delivery. However, there are still requirements to have strong exposure, which is now a problem encountered by some brands.

KOL as a guide for the audience to make consumption behavior on the network increases the consumer’s desire to consume information. From the audience’s point of view, accepting the information transmitted by KOL is passive and cannot make a judgment and comparison of the user experience. It is also impossible to judge whether the information is a real experience or a simple advertising implant. So online advertising has strong concealment and confusion. KOL has a certain degree of authority and fan trust in a certain field, and many consumers fall into the advertising effect to make the brand achieve a high product sales conversion rate.

In order to increase the popularity and popularity of the brand; Enhance brand image; Enrich the brand connotation; Attract the attention of consumers. Driving sales growth, more and more luxury brands are willing to invest in inviting well-known people and traffic stars as publicity. Now to frequently reach consumers through accurate media and maintain brand exposure, it is the trend of the times for celebrities to bring goods and promote the double growth of sales and sales through the aura of stars. Compared with the inherent advertising delivery method, online live broadcasting can reflect the results promptly and view the number of viewers, purchases, transaction amount, and sales volume.

5. Conclusion

Advertising strategy is a necessary means of brand maintenance and dissemination. It not only helps brands to portray consumer portraits, determines their market positioning, expands brand sales channels, increases goods sales, and improves brand pressure and risk resistance to determine the degree of excellence of the brand. And has a strong influence and integration: that is, it affects the user’s choice, consumer loyalty, brand awareness, and reputation. It also integrates brand rhythm, positioning, tone, story, leadership, etc., which shows the irreplaceability of advertising strategy for modern digital media and brands. There are differences in consumer groups, which also requires the advertising strategy to be localized. This paper analyzes the strategic model of brand advertising from the Chinese consumer psychology and culture perspective. With the rise of millennial consumption levels, advertising should also be young, recognizing that because young people’s values and lifestyles are diversified and changeable, there is no fixed formula or routine for brand rejuvenation.
The advertising strategy should explore the essential reasons behind consumers’ consumption behavior. The contact points include brand DNA, code, values, brand tone, etc., which run through Products, experiences, and marketing communications. These touchpoints achieve a unified rejuvenation and find a high degree of fit with their brand value concepts. As a luxury brand advertising, the most important thing is to broaden the market, make the audience feel good about the brand, and maximize the economic benefits of the market. This process is still long and needs more scholars to continue to explore. Through this paper’s research on luxury advertising strategies, it is hoped that it can provide reference significance for mass brands in the market. We firmly believe that we can have a foothold in the future luxury market by grasping the market changes, realizing brand localization, and giving full play to the potential of young consumers.

References


