# The adoption of Web 2.0 by luxury fashion brands.

Niels Bjørn-Andersen Copenhagen Business School, nba@cbs.dk

Rina Hansen Copenhagen Business School rh.caict@cbs.dk

## Abstract.

This is a longitudinal study of the extent to which luxury fashion brands have struggled with the dilemma of on the one hand interacting with fans and customers online, while on the other hand retain the exclusivity, surprise, and innovation hype of the brand. We have developed a framework for assessing websites and social media sites of luxury fashion brands. We applied the framework in three empirical studies in 2006, 2008 and 2010. Our findings show that the observed luxury brands have increased their adoption of social and interactive digital Internet-based technologies since 2006. We also document some of the most interesting uses of Web 2.0 technologies fashion brands for creating an immersing and innovative environment online. While some brands like Burberry has gone 'the full Monty', others like Prada has not had a functioning web-site since 2007, probably disappointed about their first attempts at 'getting their feet wet' early on. The findings have theoretical relevance in the shape of the 8C framework, but it should also have relevance for practitioners, as it might function as a checklist for creators and management of fashion brand websites.

## Keywords:

Web 2.0, Fashion, Luxury, e-commerce, Interactive, Social media, 8C framework, Branding, Internet.

## 1. Introduction

The established fashion brands like Dior, Gucci and Prada are all struggling to rethink their traditional sales and marketing strategy to include the digital channels and especially Web 2.0 to make their brands fit for the future. They are hesitant due to the dilemma of involving the public and at the same time maintaining exclusivity and brand control. They fear that implementing interactive categories on their websites, where customers and fans can interact or customizing products might jeopardize and even make them loose control of their brand. This attitude is now slowly changing, as the majority of fashion brands have realized the importance of Internet presence. Especially forced by recent declining sales in the physical stores, due to the economic downturn, most fashion brands have turned their attention online where e-commerce still promises double-digit growth (Okonkwo, 2009).

Interacting and shopping across channels is however exactly what the customers expect from brands. Previous research in the context of online fashion show that customers want a website experience that is engaging, memorable and interactive; a website that can offer social interaction, two-way communication and a personalized relationship with the brand (Siddiqui et al. 2003, Lacroix and Riley, 2003 Serringhaus, 2005). Moreover, the interactive and collaborative aspects are also what industry reports from McKinsey and the Economist business surveys point out as opportunities for increasing a company's revenue and/or margins (Economist, 2007, McKinsey, 2007, McKinsey, 2008).

However, selling and branding fashion brands online requires a different set of strategies and tools than selling and branding any other commodity product online. Fashion brands thrive on combining emotion, image and perception. Hence the challenge is how to convey these characteristics of intangibility, perceptibility and multi-sensory experiences online using Internet technologies (Siddiqui et al. 2003, Kapferer et al., 2009).

With the help of Web 2.0 technologies fashion brands can create an immersing and innovative store environment online (Okonkwo, 2009). E.g., Cartier (www.cartier.com) has created a visual tour of their brick-and-mortar store, which one can navigate and click through online. It is entertaining, keeps the visitor involved, and it creates emotional hooks by the use of videos and engagement, and without it, an e-business that does not provide an experience will not thrive (Jennings, 1998). However there is to date no luxury website or community which allows the visitor to navigate through the store, see the current collection on the shelves and drag and drop them into the basket while being advised by a real time e-shopping assistant.

Empirical research conducted by Siddiqui*et al.*(2003), Lacroix and Riley (2003), and Seringhaus (2005) show that most luxury brands do not have interactive, entertaining or engaging websites and is thereby not meeting consumer's expectations. More recently, Kapferer and Bastien (2009) stated that luxury fashion brands are facing the Internet dilemma: "A luxury product can communicate via the Internet, but should not be sold there" (p207). Their viewpoint is that an Internet strategy is indispensable for luxury brands in the means of communications, advertising and as an experiential tool. But if a luxury product is placed for sale on the Internet, is no longer a luxury product.

### 2. Problem

The purpose of this paper is to provide an assessment of the extent to which luxury fashion brands have adopted interactive and social technologies since 2006. We have addressed this problem through the following research activities:

- A series of in-depth interviews with key informants to understand the why, how and what of luxury fashion brands using different Internet branding activities (here called *categories*)
- A formulation of a framework for characterizing the different types of branding interface categories
- Three empirical studies in 2006, 2008 and 2010 of around 30 of the most well-known brands in order to identify a sample of 15, which could be compared over the four years

## 3. Methodology

In total, 16 in-depth interviews were conducted to evoke attitudes and opinion of luxury brand professionals in order to collect information based on insider experience and privileged insights. In 2006 four interviews

were conducted with brand managers (Burberry, Mulberry, Tanner Krolle, Jean Muir). In 2008 nine interviews included brand managers (Fabergé, MCM, Richemont), internet professionals (Limestone, FAST, Microsoft), and fashion website professionals (Skywire, Galle, Winkreative) were conducted face-to-face or over the telephone. In 2010 three interviews were conducted face-to-face with brand managers (Faberge, Chanel, Boucheron).

Furthermore, we needed a framework for the assessment of luxury brand web-sites. One of the most recognised frameworks for evaluating brand websites is the 7C framework (Rayport and Jaworski, 2001). Other researchers (Lee and Benbasat, 2003, Georgiadis and Athanasios, 2005, and Begalli, et al., 2009) have applied, adapted or extended the 7C framework. Yang et al. (2008) specifically evaluated how the 7C framework could be updated to include Web 2.0 applications and extended the 7C framework with an 8<sup>th</sup> C, 'Collaboration'. This updated framework has been used by Sabouri and Jalali (2009), who also evaluated Web 2.0 application technologies. We have found that the 8C framework of Yang et al. (2008) presents the most relevant framework for our purpose of assessing websites and brand controlled social media platforms of fashion luxury brands. In order to make it reliable and repeatable, we have operationalized it with a number of subcategories taking new technological developments into account. The framework is shown in Appendix 1.

Longitudinal observations of luxury fashion brand websites were conducted over a two week period in 2006 (of 25 brands), in 2008 (of 30 brands) and in 2010 (of 33 brands) by Rina Hansen. The last survey was validated by a research assistant, who initially found a 12% inconsistency in the observation, mainly due to subjective interpretations of the websites and degree of interaction with the site. All inconsistencies were explored, and the classifications were changed accordingly. In total 15 brands were included in all three observations: Burberry, Chanel, Chloé, Dior, Donna Karan, Gucci, Hermes, Louis Vuitton, Marc Jacobs, Mulberry, Paul Smith, Prada, Ralph Lauren, Valentino, and Versace. The reporting here will be the relative frequencies for each of the different 8C categories. Finally we shall identify especially relevant and potentially very effective types of categories by giving some 'best-business practice' examples.

## 4. The analysis of Web 2.0 by luxury fashion brands.

Below follows our analysis of the developments for each of the 8 categories and the sub-categories. We shall provide a simple histogram of the number of brands, who have adopted the category for each of the three years (2006, 2008 and 2010), and we shall also provide specific examples of noteworthy developments for each Web 2.0 categories. We shall report using % for easy comparison, but stress that total sample is just 15 luxury brands.

#### 4.1 Context

There was a significant change in the use of flash on luxury brand's websites as shown in figure 1. In 2006 nearly one quarter (73%) of the observed brands used flash, in 2008 all brands (100%) used flash, but in 2010 some brands had steered away from flash again. Flash was traditionally used because of its lively and interactive qualities, but flash is not viewable on iPhones and iPads and prohibit the viewer from accessing the sites on these increasingly popular and important devises (Retail Bulletin, 2010).

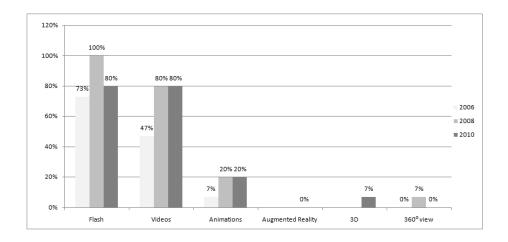


Figure 1. Luxury Fashion Brands' use of the category 'Context' from 2006 -2010

Only half of the observed brands used video features (fashion shows, brand or campaign videos) on their websites in 2006, whereas the majority of brands did in 2008 and 2010 (80%). The videos are all very stylised and controlled. They are inherently without video posts, blogs or interactive videos, where the brand can talk directly to fans and customers as exemplified on social media platforms (i.e. Burberry's video posts to Likers on Facebook). Burberry furthermore utilised an interactive 3D video on its site where the user could drag the models and products in all directions on screen creating a very engaging and entertaining interaction. Recently automobile and jewellery luxury brands like BMW, Faberge, Tissot, and Boucheron have adopted augmented reality technologies in order to give the shopper the possibility of trying products, getting a more real-live feel, and making the product come live on the screen. This adoption of technology has however not reached the luxury fashion brands yet. Berta de Pablos, Global Director of Marketing & Communications at Boucheron, talked about her experience with augmented reality, saying, "You have to start with the brand, not the technology. You have to ask, how can we create the dream of the brand in the minds of the consumers? ...The Internet can be a catalyst of emotions. We experienced that people were intimidated going into our stores, but we wanted them to interact and connect with the brand. Augmented reality allowed for this."

Photo technology like 3D scanning of products, which enables the visitor to turn the product around, as if she had it in her own hand, is now increasingly popular on ecommerce stores. Brands like Nike and Apple, as well as online fashion stores like ASOS and Net a Porter use this technology as it enhances the buying experience and hence conversion rate significantly (Sabouri and Jaladi, 2009). None of the observed luxury fashion brands utilised the 3D technology or 360 degree views in 2010.

#### 4.2 Content

There has been a substantial development of the manner in which luxury fashion brands use product description as shown in figure 2. In 2006 brands offered very sparse descriptions, sometimes even just product codes. This has changed into a more descriptive lifestyle text where products at best are described as a sales assistant greeting the customer entering a physical store; with feelings, atmosphere and a tone of voice which is characteristic to the brand. It is evident that brands with most developed descriptions (i.e. Burberry, Louis Vuitton, Mulberry and Smythson) have a higher online turnover.

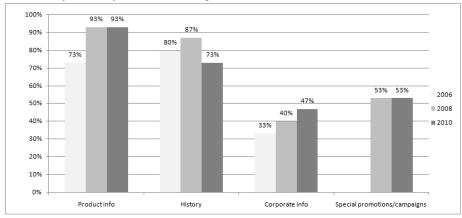


Figure 2. Luxury Fashion Brands' use of the category 'Content' from 2006 -2010

Traditionally luxury fashion brands focus on their history and timeline and most brands had a section on their website dedicated to history in 2006 and 2008. However in 2010, history did not necessarily have a separate section on the website any longer, it was integrated in the overall communication. On the other hand, few brands offered corporate info in 2006 (33%), whereas it was increasingly offered in 2008 (40%) and 2010 (47%).

Around half of the observed brands from 2006 to 2010 gave space to special or seasonal campaigns; hence there was no real development in this subcategory. Alexander Galle, Director at Galle would, however,

encourage brands to use the function as a shopping window update. "Special promotions are what adds newness to the site and makes visitors come back regularly".

## 4.3 Community

This is the category where there has been the greatest development within the last four years. As shown in figure 3, in 2006 and 2008 there were no own branded community sites, but by 2010 Burberry had launched "Art of the Trench" (in Nov 2009). Gucci had launched "Eye Web" in 2009 and "Gucci Connect" in 2010. Hermes had launched "jaimemoncarre" ("I love my scarf") in 2010 and brands like Mulberry, Paul Smith and Smythson had launched blogs where readers could comment and interact with the brand. Contrary to this, Ralph Lauren, Louis Vuitton, Jimmy Choo, Dunhill, Donna Karan, Dolce Gabbana and Chanel had launched blogs and news channels without the possibility of commenting – which is inherently contradicting the whole idea of blogs, and it illustrates the dilemma of brands opening up for a potential lack of control of their brand.

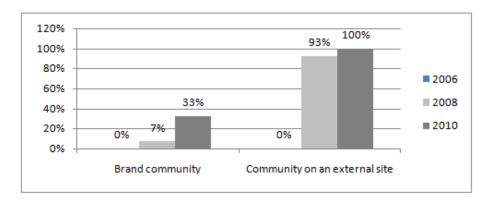


Figure 3. Luxury Fashion Brands' use of the category 'Community' from 2006 -2010

Likewise, there has a tremendous development in the way in which luxury fashion brands adopted social media platforms like Facebook, Twitter and Youtube. In 2006 none of these platforms were generally used. In 2008 all the observed brands had videos on Youtube, though not yet through branded Youtube channels and most brands (90%) had a Facebook account. However these external sites were not managed and utilised very well. Most brands only had a logo as profile picture and nothing else developed in terms of content, pictures and features. Hermes did not even control their own Facebook profile, as there were 280 individuals pretending to be Hermes. Brands like Calvin Klein, Ralph Lauren and Dolce Gabbana had around 100.000 Facebook fans, while brands like Burberry, Donna Karan and Mulberry only had around 1000 fans. Burberry had managed to grow this direct fanbase into 3,5million fans in 2010.

All but two (MiuMiu and Victor & Rolf) of the total number of brands observed, had a Facebook profile, and nearly three quarters had a Twitter profile. Around half of the brands posted something on their community site every day and around one quarter posted something weekly. Contrastingly, Alexander McQueen, Prada, Tods and Valentino had not taken control of and/or utilised their external community site, leaving the profiles in the hand of spammers.

## 4.4 Customisation

Product customisation and personalisation were the origin of luxury products; it was all about the individual and intimate relationship with the designer, craftsman and the customer. The internet offers the opportunity of connecting with the individual customer in this unique and intimate manner again. There are, however, very few luxury brands which make use of this opportunity. In 2008 only Smythson and Ralph Lauren offered customisation (where the customer is involved in the design of the product) and personalisation (where the customer can add their initials or personal mark). In 2010, Louis Vuitton also offered customisation on their website and on their Facebook profile.

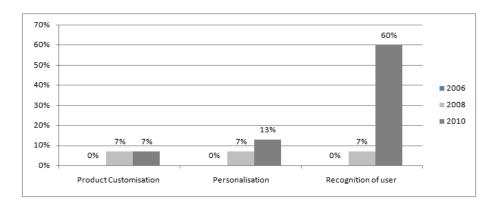


Figure 4. Luxury Fashion Brands' use of the category 'Customisation' from 2006 -2010

The technology, which recognises the user, is widely used by ecommerce sites like Amazon (books and consumer goods), Tesco (groceries), New Look and H&M (high street fashion), for offering a personal experience on the website, however it was not widely used by luxury fashion brands. In 2006 no brands offered a "sign in" feature. In 2008 a few of the observed brands offered the feature, whereas in 2010 more than half (60%) of brands offered a "sign up" feature enabling the brands to recognise the visitors who logged in.

### 4.5 Communication

Nearly all observed brands from 2006 to 2010 offered the option of signing up for newsletters. Only Versace did not offer this option of direct communication, which counts for around 10% of traffic generation (econsultancy, 2011). What has changed significantly over the four year period is the prominent placement of the "email register". In 2010 the important sign-up button was placed in the menu bar, meaning was clearly visible on all individual sites. Contrastingly, brands are not placing great effort in being transparent by sharing "about us" and contact details. In 2006 nearly three quarters (73%) of the observed brands shared contact details in the form of phone number, email or postal address. In 2010 less than half (47%) of brands shared "about us" and contact details. Especially brands that didn't offer ecommerce, like Chanel and Fendi, didn't offer any contact details at all.

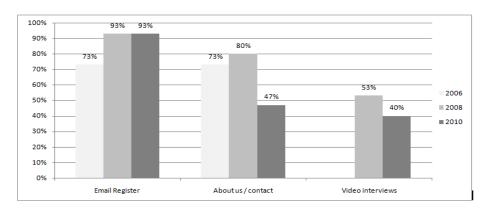


Figure 5. Luxury Fashion Brands' use of the category 'Communication' from 2006 -2010

In 2008 half the brands (53%) used videos as a communication tool showcasing interviews with designers, craftsmen or celebrity ambassadors. Bally, BottegaVeneta, Donna Karan, Paul Smith, Tods, and Victor & Rolf had video interviews or messages from their designers. Ralph Lauren had interviews with celebrities telling about their favourite moments with the brand. Despite video content being hauled as the most important and compelling content in fashion (Okonkwo, 2010, the Retail Bulletin, 2010), the observation in 2010 indicated that fewer brands (40%) are utilising video interviews on their websites.

Martin Mason, CEO at MCM, explained that through video interviews users can get a unique feel for the brand and be invited into the world of the brand. "Videos give a different experience to reading; you are living in the visual experience and being entertained, i.e. seeing the way the designer moves, talks and what

her personality is like. This is something that cannot be explained in words and something that is exclusive to the website and helps bring it to life".

#### 4.6 Connection

In 2010, brands were to a large extent linking traffic from their own site to their own social media platforms, increasingly integrating the brand platforms online. They were also increasingly taking control of their own sales channel online instead of linking to third party selling sites like eluxury, Net a Porter, and Neiman Marcus as they did in 2006.

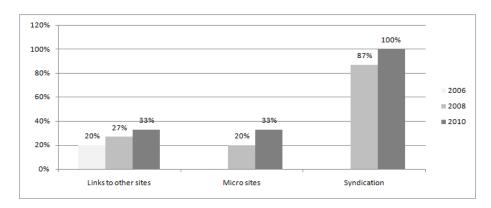


Figure 6. Luxury Fashion Brands' use of the category 'Connection' from 2006 -2010

The phenomenon of syndication (i.e. placing branded content or products from own site on other sites) had not emerged in the fashion industry in 2006, but in 2008 the majority (87%) of brands used syndication. However in 2010 everybody had it. The most widespread use was achieved by Gucci, Chanel and Burberry, who also are also the more active on social media platforms and have many Facebook Likers – meaning many people and stakeholders spread the word of the brand and acted as online ambassadors.

### 4.7 Commerce

In 2006 a quarter of the brands observed offered ecommerce in the UK and half of the brands offered ecommerce in the US, though the majority only offered a small selection of accessories (only Paul Smith offered a selection of clothes as well). In 2008 more than half (60%) of the observed brands offered ecommerce on US commerce sites. Burberry, Hermes, Paul Smith and Mulberry were amongst the few brands that offered ecommerce to multiple countries. However in 2010 there was a significant difference; more than three quarters (80%) of the observed brands offered ecommerce to US, UK and most of EU. The majority of brands offered both accessories and clothes, except from Dior, Louis Vuitton and Prada who offered accessories only.

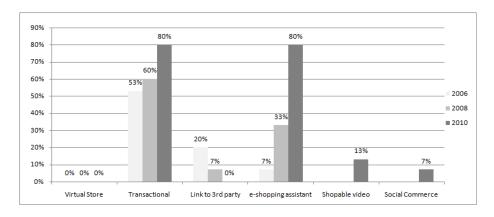


Figure 7. Luxury Fashion Brands' use of the category 'Commerce' from 2006 -2010

There were no virtual flagship stores with immersive and engaging lifelike shopping, as in gaming environments. Cartier had a navigational virtual store with a shopping assistant showcasing and explaining

the products in 2008, and Victor & Rolf had a navigational tour of the house, shows, library etc. However, none of these offered the option to actually buy the products on display. In 2010 Gucci launched a "digital flagship store" (PPR, 2010), and Marc Jacobs launched a "virtual store", where the visitors were welcomed by a guy (a drawing), opening the door, and different shopping assistants (drawings) at each product station.

No brands offered a 24/7 real-time shopping assistant either in the form of online chat or video conferencing, as for example luxury jewellery brand Fabergé does. A third of the brands (33%) in 2008 claimed to have shopping assistance via phone, email or a fill-in form. In 2010 the majority (80%) claimed to have shopping assistance available, however when testing Gucci's contact form, it took more than two weeks to get a reply to a product question. It is worth noting that following completing the observation, Burberry did launch online 24/7 real-time chat and call function to their site in January 2011.

Mark Dunhill, CEO at Faberge, talked about bringing the human touch to the online platform, "The online experience and service needs to be as special as in the physical store. Sales advisors can help retain the emotional and otherworldly experience of the brand and the product...Technology provides the opportunity to entertain and connect with your customer".

Ralph Lauren offered a shopable video "RL Gang", an immersive storytelling video of kids going to school, where the viewer could click on the clothes in the video and be directed to the chosen product's URL where it could be purchased. Many retailers like Barneys, Next and online fashion shops like ASOS sell their collections on Facebook, also used social commerce or Facebook commerce. However, only one of the brands observed, Louis Vuitton, offered this function on their Facebook page with completion of sale on their own website. Nevertheless, A third of the observed brands utilised social shopping in a related manner; they added a "share button" next to products on their website enabling the visitor to share the product on his/her social media profiles.

## 4.8 Collaboration

In 2006 and 2008 the luxury fashion brand websites had no categories of collaboration, whether related to design collaboration, co-creation or feedback and comments regarding product development. In 2010 Smythson and Ralph Lauren involved their customers in designing products on their site. At Ralph Lauren customers could design their own Polo shirt (shape, colour, initials, badges etc.), and at Smythson customers could design their own stationary paper and have their initials or text engraved in the leather stationary items. Fendi, Gucci and Marc Jacobs had a function on their websites where visitors could "like" the individual products, which consequently gathered a pool of "likes" and helped other visitors see which products were most popular amongst fellow visitors.

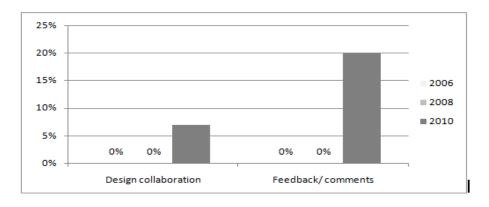


Figure 8. Luxury Fashion Brands' use of the category 'Collaboration' from 2006 -2010

In 2010 the observation of the category *collaboration* was extended to Facebook and Twitter i.e. observing how brands open up for feedback, comments and collaboration on Facebook. All brands with a Facebook profile had posted something on their wall, but only one brand, Smythson, replied to customer comments on its own posts on Facebook and Twitter. Burberry's Creative Director, Christopher Baily, posted a video once a month greeting Burberry's Facebook fans, where he replied to some of the comments, and told the fans how much they meant to Burberry. Similarly, Marc Jacobs's CEO, Robert Duffy, took over the brand's tweets for a month leading up to their fashion show in the autumn 2010. He tweeted some very personal messages about

the business, Marc and himself, and he posted pictures of the seamstresses, designers, cutters and models, while answering all the tweets he got from followers. Marc Jacobs' Twitter profile grew from a few thousands followers to 75.000 followers in that period of time.

Julie, Internet Retail Development Manager at Chanel, however still had concerns about interacting with fans and allowing their unfiltered feedback: "It's really difficult to control your brand in the social media. Brands are afraid of what people say and how they interact with the brand. You can only really control the brand on your own website".

### 5. Discussion

Contrary to the research findings and recommendations in previous literature, our findings show that the majority of luxury brands are selling online in 2010. Brands like Gucci, Burberry and Mulberry even have full fletched ecommerce sites. Supporting this, Gucci Group recently announced that they are creating an ecommerce division and expect 10% of total turnover to come from online sales (PPP 2011).

Overall, the findings illustrate that the observed luxury brands have substantially increased their adoption of social and interactive digital technologies since 2006.

Of the different categories, we found the largest development within the category 'Commerce' where subcategories transactional and e-shopping assistant have increased significantly and the new digital tools shopable video and social commerce have been adopted in 2010. The category 'Collaboration' was not utilised in 2006 and 2008, but has been adopted in 2010, remarkably not on the brand websites, but on the brand controlled social media platforms. Here some brands have started to interact, share, collaborate and receive feedback from consumers. The subcategory brand community within 'Community' also show a significant increase in brands' creation of their own communities like Burberry's Art of the Trench. Lastly, the increase of the subcategory recognition of the user within 'Customisation' indicates adoption of internet technology which recognises the visitors coming on to the site and the possibility of offering them a customised site experience.

The slowest development is associated with new technologies such as *augmented reality*, 3D, (within the category 'Content') and *virtual stores* (within the category 'Commerce'). No luxury fashion brands have adopted these technologies, though luxury jewellery brands have. Luxury fashion brands have yet to take full advantage of the 'Customisation' and 'Collaboration' categories.

Interestingly, the interviews show an intention to adopt interactive and social Web 2.0 tools to a higher degree than what is already implemented. The interviewees expressed that there are great opportunities to be harvested in all the categories which will enhance the overall website experience and ultimately support brand experience and sales. Christopher Baily, Burberry's creative director, summed this up perfectly at the S/S 11 fashion show in September 2010 "We are now just as much a media-content company as we are a design company, because it is part of the overall brand experience" (Telegraph, 2010).

Lastly, one could argue that the lack of contact details on the websites and the lack of two-way interaction on websites and social media sites indicate that luxury fashion brands are still cautious and keen to continually control the images and messages they push out to their customers and fans. Interaction does not flow both ways; it is still predominantly a one-way communication, dictated by the brands that are afraid of what their customers and fans might say about them. This is in stark contrast to previous research findings on consumers wishes and wants (Siddiqui et al., 2003, Lacroix, 2003), and to how consumers in general are empowered by interactive and social media. Consumers expect to define their own perspective on companies and brands, thus shifting the balance of power from company to customer (Bernoff, 2008). Henceforth, luxury fashion brands have to continuously work on creating dream value by providing exceptional experiences online with the help of digital technologies and by interacting with consumers (Okonkwo, 2010).

### 6. Conclusions

The paper has presented a longitudinal analysis of the adoption of Web 2.0 by luxury fashion brands. We did that by developing a framework based on the 8C framework by Yang et al. (2008) and conducted three empirical studies in 2006, 2008 and 2010.

We have also documented that across the board, luxury brands have decided to embrace Web 2.0 technologies and have found ways of coping with the dilemma of allowing customers to interact with the brand, while at the same time retain the integrity and exclusivity of the brand.

Several conclusions may be drawn from this work. Firstly, the 8C framework has proven useful to characterise and assess the development of luxury fashion brands' adoption of Web 2.0 technologies. It has been easy to use, and there has been a high reliability in ratings between two observers.

Secondly, our study can that there has been a clear growth in adoption of Web 2.0 technologies by luxury fashion brands from 2006 to 2010. Some of the most interesting developments are the adoption of ecommerce, the establishment of brand communities, and the way in which luxury fashion brands are embracing social media platforms like Facebook and Twitter. For example in 2006 Burberry didn't use Facebook, in 2008 the brand had 2000 Facebook fans, and in 2010, Burberry had no less than 3,5 million Facebook Likers. The sheer volume of fans and consumers in direct contact with the brand has forced and inspired Burberry to put digital innovation and interaction at the heart of its brand strategy (Vogue, 2010).

Thirdly, we believe that key insights were gained from the interviews with those luxury brands, which were more digitally advanced. For instance, Berta de Pablos, Global Director of Marketing & Communications at Boucheron, explained that Boucheron had suffered from being perceived as being old-fashioned. However, "Boucheron is a 150 year old brand, but because of technology we can be a brand of today". Likewise Mark Dunhill, CEO at Fabergé, explained that interactive technology provided the brand opportunities to renew contacts with their customers and give them otherworldly experiences. "Technology provides the opportunity to entertain and connect with your customer".

We believe that our findings have relevance for researchers as well as practitioners, as the revised and extended 8C framework can function as a checklist for any assessment, development and use of fashion brand websites.

#### References

- Alexander, H. (2010) "Burberrys conquest of cyber space". *Telegraph* 8/9/2010 http://fashion.telegraph.co.uk/columns/hilary-alexander/TMG7989381/Burberrys-conquest-of-cyber-space.html
- Alexander, E. (2010) "Burberry's Theatre" Vogue 8/9/2010 http://www.vogue.co.uk/news/daily/100908-burberry-retail-theatre-launch.aspx
- Bernoff, J., Li, C. (2008) "Harnessing the power of the oh-so-social web". MIT Sloan Management review, spring 2008, Vol 49, no 3.
- Begalli, D., Codurri, S., Gaeta, D. (2009) "Win and web marketing strategies. The case study of Italian speciality wineries". *British Food journal*, Vol. 111 No6, 2009
- EC Ecommerce Report (2009) Report on cross-border e-commerce in the EU. COMMISSION STAFF WORKING DOCUMENT. Brussels, 5.3.2009, SEC(2009) 283 final
- Economist Intelligence Unit Research (2007) "Serious Business. Web 2.0 goes corporate" February 8, http://www.fastforwardblog.com/2007/02/08/economist-intelligence-unit-research-serious-business-web-20-goes-corporate/
- econsultancy (2011) Social media drives 3% of traffic to e-commerce sites: survey. http://econsultancy.com/uk/blog/7120-social-media-drives-3-of-traffic-to-e-commerce-sites
- FDIH (2010) "Dansk e-handels analyse. Online". Available from http://www.fdih.net/dansk-e-handelsanalyse/download-center.aspx
- Georgiadis, C. and Athanasios, M (2005) "Personalisation of user interfaces in ecommerce and mcommerce applications". IADIS International Conference e-commerce, http://www.iadis.net/dl/final\_uploads/200510L024.pdf

- Jennings, Morgan (1998) "Theory and models for creating engaging and immersive ecommerce website" [online] Available from www.educ.msu.edu.com. [accessed on 26/1/2008]
- Kapferer, Jean-Noël and Bastien, Vincent (2009) The luxury strategy. London: Kogan Page
- Lacroix, C., Riley, F. (2003) "Luxury branding on the internet: lost opportunity or impossibility?" *Marketing Intelligence & Planning*, vol 21, no 2Reuters (2010b) PRESS DIGEST British business. (ASOS turnover). June 6 2010 Available from http://www.reuters.com/article/idUSLDE65500620100606
- Lee, W., Benbasat, I. (2003) "Designing an Electronic Commerce Interface: Attention and Product Memory as Elicited by Web Design", *Electronic Commerce Research and publications* (2), 3 pp. 240-253
- McKinsey (2007) "How businesses are using Web 2.0: A McKinsey Global Survey". *The McKinsey Quarterly*, January 2007
- McKinsey (2008) "Building the Web 2.0 Enterprise. McKinsey Global Survey". The McKinsey Quarterly, June 2008
- Moghaddas, H. (2010) "Comment: Luxury fashion retailers: functionality or flash?" The Retail Bulletin 23/9/2010 www.theretailbulletin.com
- Okonkwo, U. (2009) "Sustaining the luxury brand on the Internet". Brand Management Vol 16, 5/6, 302 310
- O'Reilly, T (2005) "What is really Web 2.0? Design Patterns and Business Models for the Next Generation of Software". [online] http://www.oreillynet.com/pub/a/oreilly/tim/news/2005/09/30/what-is-Web-20.html
- O'Reilly, T and Battelle, J (2009) "Web Squared: Web 2.0 five years on". Web 2.0 summit, http://www.web2summit.com/web2009/public/schedule/detail/10194
- Parameswaran, M., &Whinston, A., (2007) "Research Issues in Social Computing". *Journal of the Association of Information Systems*, (8) 6 pp. 336-350
- PEW Internet (2011) "The social side of the internet": http://pewinternet.org/~/media//Files/Reports/2011/PIP\_Social\_Side\_of\_the\_Internet.pdf
- Rayport, J., Jaworski, B. (2001) Introduction to E-commerce. New York: McGraw Hill
- Reuters (2010a) "Richemont seeks to buy UK Net-a-Porte"r. 1 April 2010. Available from http://www.reuters.com/article/idUSLDE63004020100401
- Sabouri, Milad and Jalali, Ali A. (2009) "Evaluating Web 2.0 Services Based on 7C Framework". ITNG '09 Proceedings of the 2009 Sixth International Conference on Information Technology: New Generations IEEE Computer Society Washington, DC
- Shao, G. (2009) "Understanding the appeal of user-generated media: a uses and gratification perspective". *Internet Research*, (19). 1, pp. 7-2
- Seringhaus, F.H. Rolf (2005) "Selling Luxury Brands Online". Journal of Internet Commerce, (4)1, pp. 1-25
- Siddiqui, N., McColl, J., O'Malley, A., Birtwistle, G. (2003) "Retailer and consumer perceptions of online fashion retailers: Web site design issues", *Journal of Fashion Marketing and Management*, (7) 4, pp. 345-355
- Okonkwo, Uche (2010) Luxury Online. Styles, Systems, Strategies. Hampshire: Palgrave McMillan PPR (2011)
- PPR Corporate press release (2011) "PPR creates a New E-Business Development Unit". Corporate press release 12/01. http://www.ppr.com/en/press/press-releases/ppr-creates-new-e-business-development-unit
- Williams, J.C. (2008) *Organizing for Cross-channel Retailing*. A Shop.org Study by J.C. Williams Group, http://www.wpp.com/NR/rdonlyres/F10BBC58-1232-4443-97AD-EB32B6DF8AEC/0/thestore\_mar08\_OrganizingForCrossChannelRetailing.pdf
- Yang A.; KIM, D.; CAHALWANI, V.; VU, T. (2008) "The 8C Framework as a Reference Model for Collaborative Value Webs in the Context of Web 2.0". Proceedings of the 41st HICSS, http://www.computer.org/portal/web/csdl/doi/10.1109/HICSS.2008.428
- Yoox (2010) Anual report 2010. available from http://cdn2.yoox.biz/yooxgroup/pdf/2009AnnualReport\_YOOX\_Group\_f.pdf

## Appendix 1

**Table 2** The 8C framework applied to luxury fashion brand websites

Interface categories	Applied to Luxury Fashion Brand Website Assessment
interface categories	Applied to Luxury I asilion braild website Assessment
1. Context	Definition: Importance of beautiful and aesthetically pleasing design.
	• Flash. Does the site use immersive Flash graphics or e.g. HTML?
	• <b>Videos.</b> Does the site have videos of fashion shows, of products, or any brand related material?
	• Animations. Does the site use animations to convey the brand?
	Augmented Reality. Does the site offer augmented reality features which either allow to try on
	the products or offer extra brand experience? (Only for 2010)
	• 3D.Does the site offer any 3D technology, enabling engaging interaction with products,
	campaigns or other features?
	• 360° view. Does the site offer 360° view of the products, creating a 'live' and tangible feeling
	of the products through visuals and product rotation?
2. Content	Definition: Enticing and informative mix of product information and comprehensive brand information.
	<ul> <li>Product information. Does the site offer detailed and engaging product descriptions or only</li> </ul>
	sparse information?
	<ul> <li>History. Does the site offer a history section about the brand?</li> </ul>
	<ul> <li>Corporate information. Does the site offer corporate information related to the brand?</li> </ul>
	• <b>Special promotions / campaigns.</b> Does the site have special campaigns or sections functioning
2.0	like a shop window which is changed seasonally?
3. Community	Definition: Communities established by the brand where connoisseurs and fans discuss the brand.
	<ul> <li>Own brand community. Does the site have a community section launched and controlled by the brand itself?</li> </ul>
	Community on external site. Does the brand have communities on external social sites such
	as Facebook, Youtube and Twitter? And how many fans have joined this community?
4. Customization	Definition: Customising the site experience for the individual user.
Customination	Product customisation. Does the site offer the possibility of customising products?
	Personalisation. Does the site offer the possibility of personalising products i.e. adding initials
	to a product?
	• <b>Recognition of user.</b> Does the site recognise the users? E.g. is there a "sign in option?"
5. Communication	Definition: News, details and communication about the brand including getting behind the scenes.
	• Email register. Can the visitor sign up for newsletters on the site?
	• <b>About us / Contact.</b> Is there an "about us" section and contact details for the brand?
	<ul> <li>Video interviews. Does the site have video interviews with the designer, brand owner or</li> </ul>
	perhaps fans of the brand?
6. Connection	Definition: Connection to other complementing sites.
	• Links to other sites. Does the site have links to other sites and external sites?
	Micro sites. Does the brand have sub-sites for i.e. campaigns or special collections?
	• <b>Syndication.</b> Does the brand have syndication of content (products, advertising etc) on other
7. Commerce	complementing sites? (in 2010 this was measured by Vitrue.com)  Definition: Shopping the brand's products on the website.
7. Commerce	Transactional. Does the site offer ecommerce?
	Virtual store. Does the site have a virtual store which customers can walk through and
	purchase from?
	• <b>Link to third party.</b> Does the site have links to other sites which sell the brand's products?
	e-shopping assistant. Does the site have a shopping assistant in the form of live chat,
	telephone line or live video advice?
	• <b>Shopable video.</b> Does the site have videos where customers can shop from? (only in 2010)
	Social commerce. Does the brand offer ecommerce on their social media platforms like
	Facebook or Youtube?
8. Collaboration	Definition: Collaborating and opening up for comments and feedback from fans and customers.
	• <b>Design collaboration.</b> Is it possible to collaborate with the brand on either the brand site or on
	Facebook?
	Feedback & comments. Does the brand allow comments and does it interact with customers
	on brand site or on Facebook?