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BALANCING ACCESSIBILITY AND EXCLUSIVITY IN TARGETING MILLENNIALS IN THE LUXURY INDUSTRY. THE BULGARI, CARTIER AND VAN CLEEF & ARPELS CASE.

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Introduction

The Internet and digital innovations have dramatically changed the way people live and relate to each other, they have modified cultures and lifestyles across generations. Looking back on my childhood (90's) I still remember about my afternoons of leisure playing Tetris with my father's Olivetti M24, whereas my older brother (80's) at the same age whizzed through our house's courtyard with his bike. Getting on in years, the so-called Millennials (Howe, Strauss, 2000) like me, born and raised using digital technologies, are continually evolving and are starting to play a pivotal role in the change of definition of luxury consumption. The luxury industry was one that resisted and slower accommodated this change. The luxury is defined in many different ways but it expresses "[...] a culture and a philosophy that requires understanding before the adoption of business practises because its intricacies and output are essentially different from other types of goods such as daily consumer goods" (Okonkwo, 2009, p. 303). Those differences are explained by the specific intrinsic characteristics of this sector such as intangibility, exclusivity, craftsmanship, limited distribution, premium price and high quality that not only make it impossible to compare luxury products with any other, but also clarify its reluctant position on the "digitization".

The purpose of this thesis is to find answers to this challenge. How is it possible for luxury brands to target Millennials spreading across the digital world without losing their aura of exclusivity? Targeting digital natives in this context means to reach them, attract their attention, communicate with them and retaining them. In order to better analyse this topic, I have adopted a systemic view of the problem, considering that the digital innovation concerns socio-technical systems where it is crucial to deepen both the numerous facets of social systems involved and the platforms' architectures.

The first part of the thesis is aimed to implement a thorough literature review on the luxury field, explaining the main features of a luxury product and the evolution of its consumption and customer interpretation over time, moving from an elitist and aristocratic perspective to a democratic one. Changes in luxury definition are, among things, driven by the increasing importance of digital innovations that, on one hand, help luxury brands in becoming global, crucial aspect for not disappearing in this world, while on the other, force companies to rewrite and adapt their communication strategies. Thus, I will describe the actual relationship of the industry with the online world, highlighting the discrepancies that leaded the skepticism of exclusive luxury firms against the inclusive Internet world. Thereafter, there will be a detailed introduction of the Millennials cluster, the most influential communication segment nowadays, and their potential for the luxury industry, emphasizing the meeting points and shortcomings of their links. Through an empirical inquiry and adopting an inductive style precisely depicted in the methodology paragraph, the second part of the thesis will focus on the study of companies belonging to the high-end jewellery sector, Bulgari, Cartier and Van Cleef & Arpel, developing detailed analysis of their online presence, both within the major social media platforms such as Twitter, YouTube, Instagram and Facebook, and through their official websites. I will illustrate the power of the Internet to create digital multichannel ecosystems in which companies should be prepared to start opening their world and allow customers' participation and conversation.

Figure 1 shows the rich picture I have initially designed in order to describe the overall elements come into play. Since it is a complex and broad context, the objective of this work is to firstly study the literature about communication in the luxury world, its relationships and dichotomies with digital media and, after an empirical comparison of the three cases, try to develop and interpret, in the third part of the thesis, models and ideal types in order to put the picture to rights, pointing the most critical factors for defining good practices for luxury communication strategies.

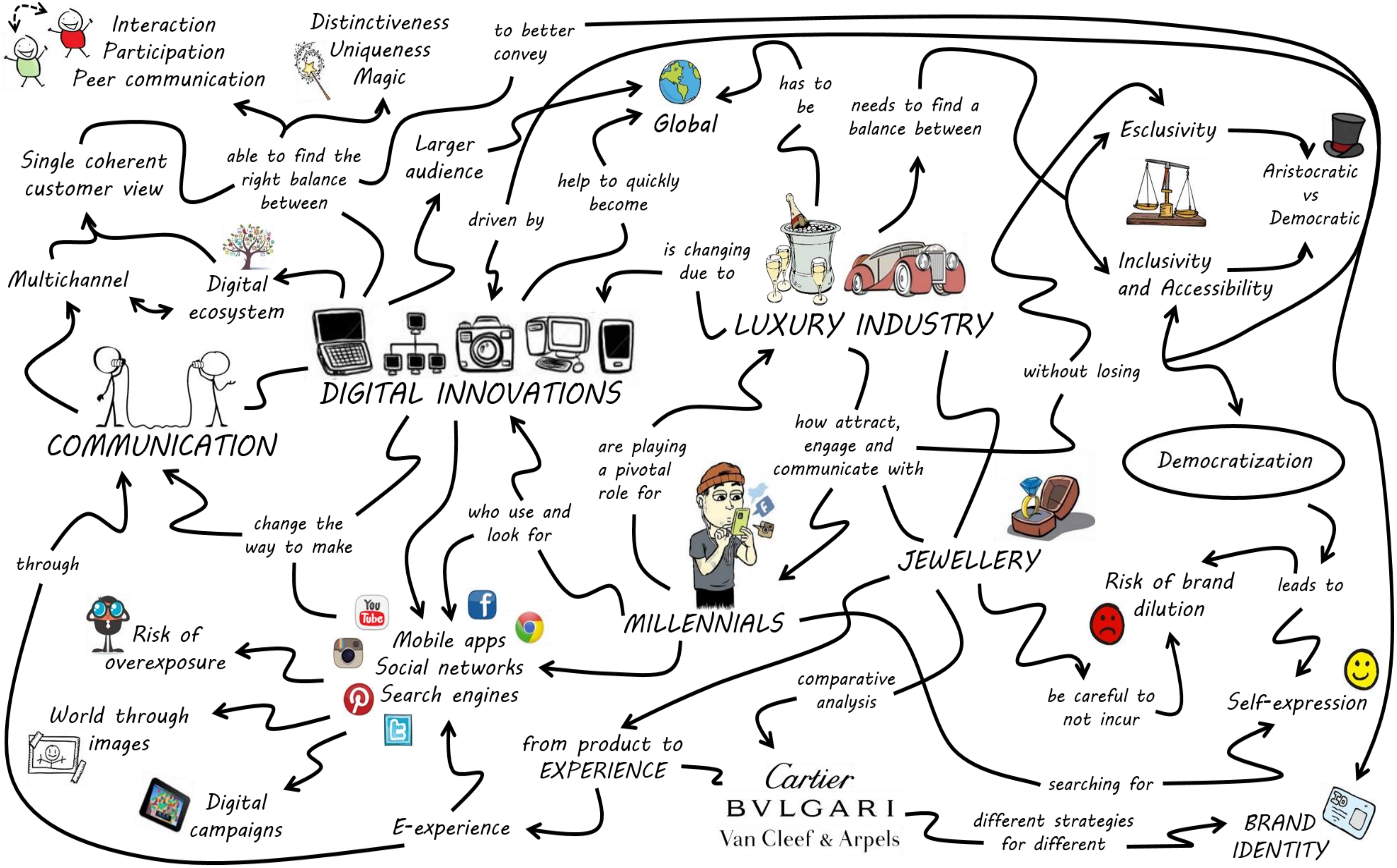

Figure 1 - Rich picture

Chapter 1. Literature review: the Luxury Industry

1.1 Introduction and definitions of the Luxury Industry

There is not a single undisputed and unanimous definition of luxury. It comes from Latin word *Lux* that means light and implies that it carries something bright in itself. It is possible to interpret this light in two different ways: one is the light that, as a lantern in the dark, allows the bearer to see where she goes; the other one consents other people around her to realise that she is carrying a light. The underlining concept is that luxury is something that gives individuals the pleasure of owning a certain precious item and being recognized by others for having it. Luxury represents not only wealth and conspicuousness, but also *Luxatio,* excess and lust, and Hume himself highlighted this idea, stating that in luxury the limits between what is virtue and what is vice are blurred (1752, 1965, p. 48).

As has been said previously, there is a wide heterogeneity in characterizing luxury among authors. From Hume to Shukla, through Dubois and Kapferer, many attributes are associated to the luxury term. Notions that bring them together are that of exclusivity, status and quality (Atwal, Williams, 2009, p. 339), (Phau, Prendergast, 2000, p. 123-124), three concepts describing how this market pays special attention to excellence, transferred on every single brand's item in terms of durability, rarity, material preciousness and craftsmanship. Luxury is one of the last sectors that carry on using handmade production, an important element of heritage conveyed into products that differentiates luxury items from any others. Gratification, pleasure and prestige attained by using and displaying luxury products are key concepts (Grossman, Shapiro, 1988, p. 82), (Kapferer, 1997, p. 253), (Vigneron, Johnson, 2004, p. 486), (Shukla, 2011, p. 243). Ostentation (Dubois, Duquesne, 1993, p. 43) leads the luxury items to require a recognizable style and design, in order to be able to build a lifestyle that the customer can recreate in the everyday life and feel part of it. Luxury products have the power to generate and satisfy desires and dreams rather than needs. They are non-necessary items (Sekora, 1977, p. 297) made desirable, whom value is strictly tied to messages, symbols and emotions they convey to people: "Luxury is something that everybody wants and nobody needs" as stated by the jewels maker Theo Fennel. Tangible features are not enough for the luxury goods market. That is why one of the most critical point that enable to properly describe luxury is intangibility. Luxury is all about intangible values and, unlike other industries that are hooked on performance and claim performance; it is not possible to measure it in luxury products. There is no value for money concept like in most of consumer goods and prices are never mentioned. Thus, the main objective of luxury is to be unique, a crucial word implying the use of alternative marketing tactics such as customization and dynamic brand experience to distinguish itself from all other consumer goods markets. Luxury has a very strong personal and hedonistic component but also, what really attracts customers is the ownership of a symbol, a piece of story and tradition. When we talk about luxury, hedonism is a priority over functionality (Nueno, Quelch, 1998, p.62), (Kapferer, 2010, p. 39): Ferraris are not the most comfortable and quiet cars at all, and Rolex watches are beautiful and iconic but probably not the most precise ones. They are the perfect portrait of a luxury item: products with flaws that make them even more unique. That is why all the luxury brands try to build and establish codes, DNA, stories, heritage, and tradition. Codes and DNA are necessary distinctive and unique sets of elements. The DNA represents the internal elements of a luxury brand that have to be incomparable, non-repeatable and unmistakable. It is strictly connected to the origin of the brand, the year of creation, and it is not influenced by client perception: it does not change to the respect of different targets. The DNA embodies the dream of the product, carrying its original meaning (i.e. Louis Vuitton and travels' cases, Hermès and horses' stuff) and for that reason cannot be quickly altered through repositioning tactics. Codes are as important as DNA in luxury. They are the external symbols of a brand such as logo, color, pattern or sensorial elements like smell, taste, sound and touch. They are built to be unmistakably recognized by clients, otherwise, there is no reason to pay a premium price. In this way, the customer can connect to a specific product many meanings and set of values that are important for her.

1.2 Luxury market structure

The luxury market is very concentrated due to the numerous merges and acquisitions that it has witnessed during the years. Today, it is dominated by large French and Swiss diversified groups, such as LVMH, Kering, Richemont and Swatch Group. The US is the largest market (64,9 €billion), followed by Japan (18,1), Italy (16,1), France (15,3) and China (15), New York alone presents greater results than the second-largest global market with its 22,3 €billion (Bain & Company, 2014, p. 13-14).

Segmenting the market is a valuable *modus operandi* in order to classify homogeneous client clusters. The segmentation could be done using many different parameters but for this kind of business, income and means to invest and spent are the most important. Usually, it is possible to design segments in terms of how people, cultures and countries, have the possibility to buy in the luxury field, but at the same time, knowing the characteristics and lifestyle of products is crucial for imaging how people will wear them and being successful. Segmentation is important to find the potential target, to measure it and after to create the right strategy to be in contact with each group.

Thus, a good way to segment the overall luxury industry is linked to the offer, looking at the price point of different segments. Growing the price, the number of clients that can reach a given product will be lower. The business has a pyramid shape: higher is the price, lower is the number of products that the brand will sell and much more demanding and elitist will be the target of clients.

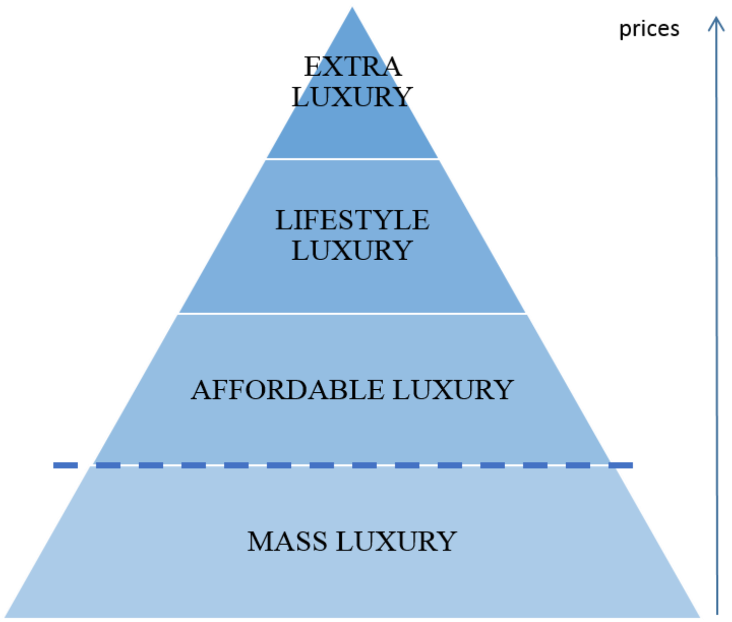

Figure 2 - The Luxury market segments[1]

The pyramid's base is tightly linked to the mass fashion-beauty business and here is present a strong component of contamination from other kind of industries.

The mass luxury is the most affordable in terms of price points but, despite the name, it should not be considered as part of the market, because it is managed using usual mass marketing tools, regarding mainly pricing, locations, quality and retailing tactics. Just few elements, related to the way the product is communicated and its distributive visibility, are connected to that of luxury goods.

[1] Alberto Festa, class notes, Luiss, 2014

In the affordable luxury cluster is possible to find items that are reasonable for everybody but have a premium price internal to the category, (i.e. fragrances), providing customers the chance to buy luxury at least once in a life. It is the entry level of the luxury business. The underlined strategy is willing to create aspiration around products, in order to gain new clients, usually young people, coming from other markets, seeking to enter in the luxury field.
The lifestyle luxury segment is a bit more evolved, it embodies products that are more refined in terms of quality, more expensive, but even if limited, still available, produced in series and based on the creation of a lifestyle easily recognizable by many people.
In the extra luxury segment, the production is very limited and the product is not don for being identified by everybody. It presents a very low brand prominence because it targets wealthy few people that knows about it, being recognized just by their fellows. Limited orders, limited series, and special editions mainly characterize the segment.
There are many differences among the three groups; one of the most relevant is the way in which products are distributed. It is not possible to sell a unique piece in a chain. Chains and networks of third party are used to distribute the most massive products brands have in their assortments, while dedicated spaces of the brand network, such as private showrooms, are usually employed to sell extra luxury items. In addition, communications and contacts with clients through promotional tools are various: a brand has different kind of tools for communicating, defined by different levels of preciousness: from a high-refined book, focused on the history of the brand, to a simple leaflet or a mail. It is fundamental to adapt the right tool to the right client the brand is going to reach.

The luxury market occupies a prominent position in numerous product categories, ranging from fashion to yachting and *hôtellerie*. Figure 3 shows the diverse industry segments from the customers' perspective, estimating the size of each based on the amount of money spent by clients. According to the Boston Consulting Group (2014, p.7) the amount of total customer spent in the industry is US$1.8 trillion. The group of the so called "traditional luxury categories", constituted by apparel, leather goods and accessories, watches and jewerly and cosmetics, defines just a little slice of the overall luxury market, where watches and jewerly's sales are the largest since consumers have included here both branded and unbranded products. As we will see later, the shift from "having" to "being" is immediately evident if looking at the huge spent amount for art, technologies and travels, embodying a wide portion of the experiential luxury cluster. In fact, it records a higher CARG (14%) than the traditional luxury one, more related to ostentation-driven attitudes. There is a new trend today, a new strong competitor of "old-style" luxury products, the contemporary art: rich people buy it probably because once they have established their social position and bought luxury products, the remaining step is to show their culture.

Companies operate in one of these segments but strategies of brand extension are common in the luxury market. Brand extension works when a firm decides to expand its coverage invading new market shares, knowing that in the eyes of customers brand symbolizes much more than just the advertised product. It consists in transferring the consolidated success and codes of a brand's item to a new product belonging to a completely different category. By definition, luxury companies cannot be huge, like Coca-Cola, otherwise distinctiveness and exclusiveness would disappear. The destiny of that brands is to remain small and the only way to grow is not enlarging excessively the customer base, as in mass consumer goods market, but expanding horizontally to other categories. That is why a jewelry maker as Cartier is present in the fragrance or eyewear sector.

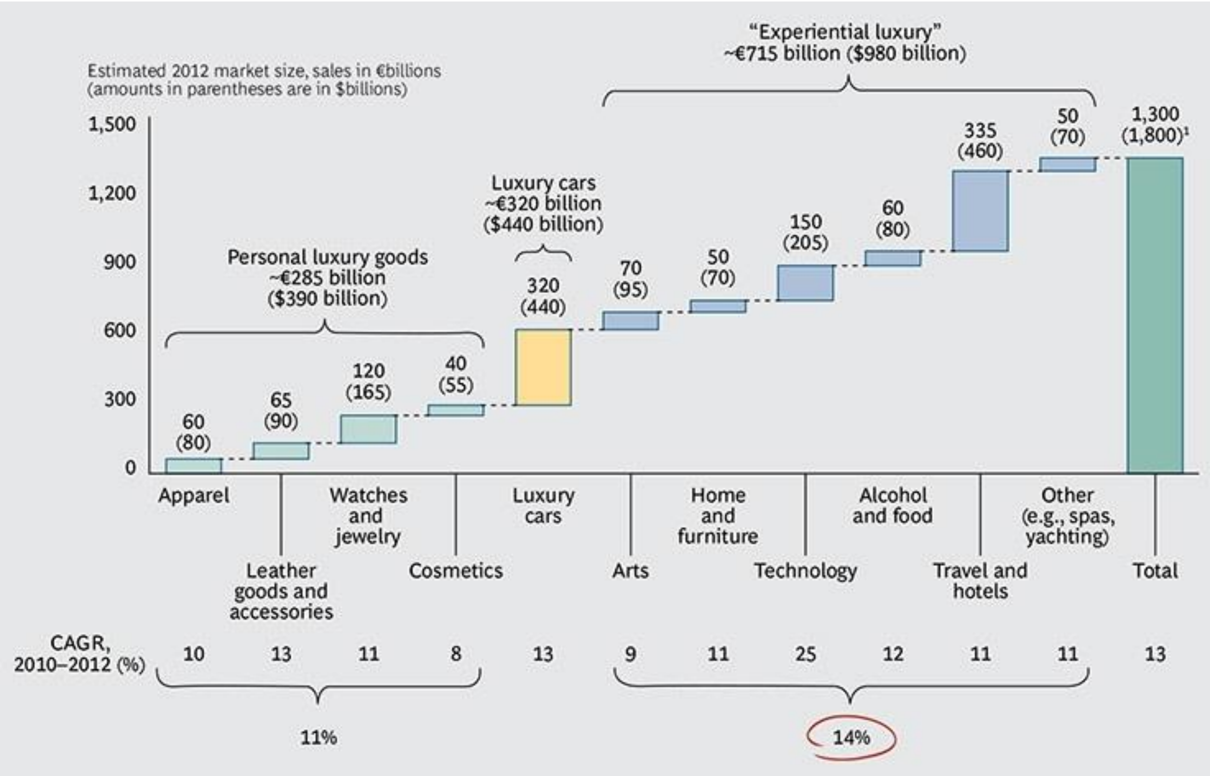

Figure 3 - Luxury Industry segments from the customers' perspective[2]

[2] Source: The Boston Consulting Group, 2014, p.7

Common characteristics among the luxury brands are related to the company size, financial structure and time frame. A part from groups, that most of the time are financial entities, in the luxury industry there are not such as big organizations in terms of turnover, employees, etc. Usually, luxury firms are small to medium sized enterprises, that is why for them is very much important to be part of a group, because the single brand can rely on the energies and synergies coming from the other brands. Even if small, they have a very strong awareness among customers. Their brand value sometimes is very high, because of the huge awareness that they gain by being consistent and working on the objectives recalling their roots. In terms of financial structure, being part of a group gives brands also the possibility to be not profitable for a certain period. There are brands that are currently not profitable also having a huge awareness, a quite good positioning, but that are not well established in their strategies. The time frame represents one of the main difference between fashion and luxury brands, as we can see in the next paragraph. It is common to all the categories and there is no short-term impact of major strategic decisions because it takes time to turn a brand around. In fact, the lead time for a launch can be from 18 months to two years, while the fashion cycle lasts 18 months.

1.3 Luxury vs. Fashion

Since the beginning of XIX century, fashion was an integral part of the luxury world. Buying clothes periodically and not consuming them until the end, was a luxury for just very rich people. In XX century, fashion started to emancipate itself from the luxury domain, diverging from it in several aspects (Kapferer, 2010, p. 52). Today there is a very thin overlapping between the two industries that are similar but in some cases different.

Luxury presents very high entry barriers, fashion not. It is possible to create a fashion brand in two years, like the Japanese firm Uniqlo, a successful brand that came from nothing, developed very quickly. This because fashion has low entry barriers, many small competitors and high turnover in and out of business: it is easy to get in and easy to get out. Luxury barriers are higher because brands need specific know-how, experience, culture, market appreciation and high level of distribution. A luxury brand cannot be successful if it is not global; a fashion brand can prosper also being local, getting the critical mass very easily. In the luxury industry it is necessary to be well known all around the world to develop the critical mass, because every single store or country that a luxury brand develop, will never reach such critical mass to be affordable. Kapferer stated that: “A luxury brand that cannot go global finishes up disappearing;

it is better to have a small nucleus of clients in every country – because there is every chance that it will grow – than a large nucleus in just one country, which could disappear overnight" (2010, p.32). The aim is to going global but maintaining their own roots. That is why big conglomerates have acquired most of the luxury firms: four groups control more than 60% of brands. Company size is different: luxury industries are small since they still rest on craftsmanship, forcing them to limit their dimension. The real market awareness is achieved over time, a long time, usually decades, because a brand cannot advertise heavily; in fashion, it is achieved through strong communication, huge advertising campaigns spread in a short time. Who buys luxury products wants reassurance that the brand is a well-known brand but in the same time wants the exclusivity of buying something that not everybody has. In fashion, consumers can accept to wear the same sneakers or clothes of others, and sometimes they do want to wear them, following the fad. Luxury can be inspired but it does not follow trends. In luxury, the core activity is product development: brands care about the product and take years to develop it (i.e. watch and jewellery). In fashion the core is speed, catch the trend and colour combination, interpret it and put the product on the market, because that colour, shape, style will not be cool up to six months. Luxury brands want to make sure that their product works before launching it in the market. While fashion is acting within a time frame that is lower than 18 months, this is not the case of luxury products: they needs much more time to be developed in order to last for a longer period.

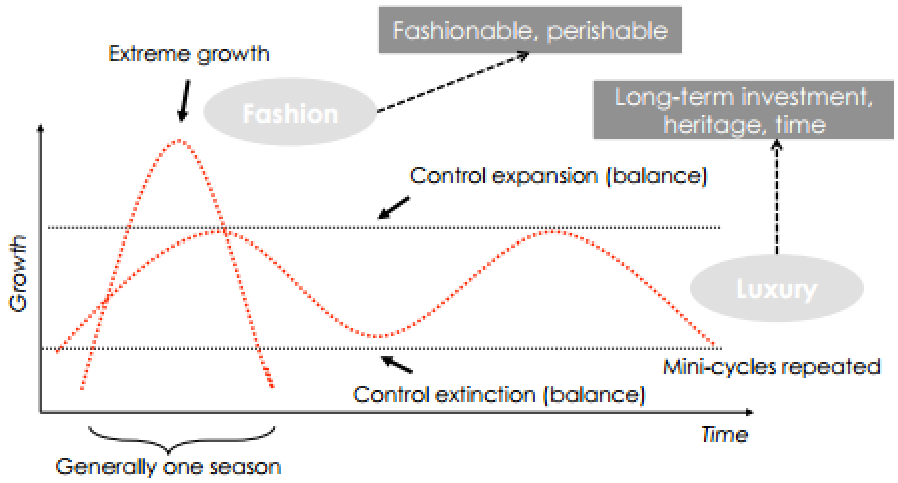

Figure 4 - Luxury vs. Fashion[3]

[3] Cesare Amatulli, class notes, Luiss, 2014

As showed in Figure 4, while the fashion growth is extremely high in generally one season because it needs to follow the trends' tide, in luxury the key word is control: there is a controlled balance between product expansion and extinction, creating repeated mini-cycles due to the long-term nature of the investment and the avoidance of milking strategies. The production needs to be located in a very particular area, ideally all "in house": this is what is expected from luxury brands. In fashion there is more flexibility, customers can accept that and Italian brand is manufactured in China, for luxury is not acceptable.
Luxury and fashion brands have a common segmentation structure that, however, is managed in a different way. In the affordable luxury segment, accessories, fragrances and eyewear come from brand acting in the luxury or fashion business, nonetheless Versace and Bulgari eyewear are managed and distributed in a completely different way. The lifestyle luxury in fashion is connected to prêt-à-porter collection while in luxury, it includes regular lines, produced in series, not limited, communicated, that are creating the lifestyle of the brand. On the top of pyramid, for fashion brands we have haute couture, while for luxury private collections, dedicated to some celebration or anniversary or to a specific clientele: unique pieces and limited editions.

1.4 Customer segments

In developed countries, we are witnessing a change in luxury consumers' attitude. There was a shift from a socio-economic understanding, based on income and social position, to a cohort approach. In this context two new main target groups are evolving: Emerging Affluents and Ultra High Net Worth Individuals (or Old Money).

The Emerging Affluents (18-34), as we will see in communication are called Millennials, will be the largest luxury segment in 2017[4]. They are characterized by two main different attitudes: on one hand, they are fashion and style conscious, share advices on finance, health and fashion. They are developing tastes on food, wine, art, culture and cannot tolerate less than what they see as the best. They see money and success as inseparable. On the other, many Affluents dress down as well as up, follow the same digital and cultural cues as the rest of their generation, and are heavy users of e-commerce and m-commerce[5], seeking meaning from brands beyond products. They are ultra-social and in constant connection with the web. Looking at their daily

[4] Alberto Festa, class notes, Luiss, 2014
[5] Mobile commerce

life habits (Figure 5), we will notice how different would be brands' marketing strategy to reach this target compared to Old Money.

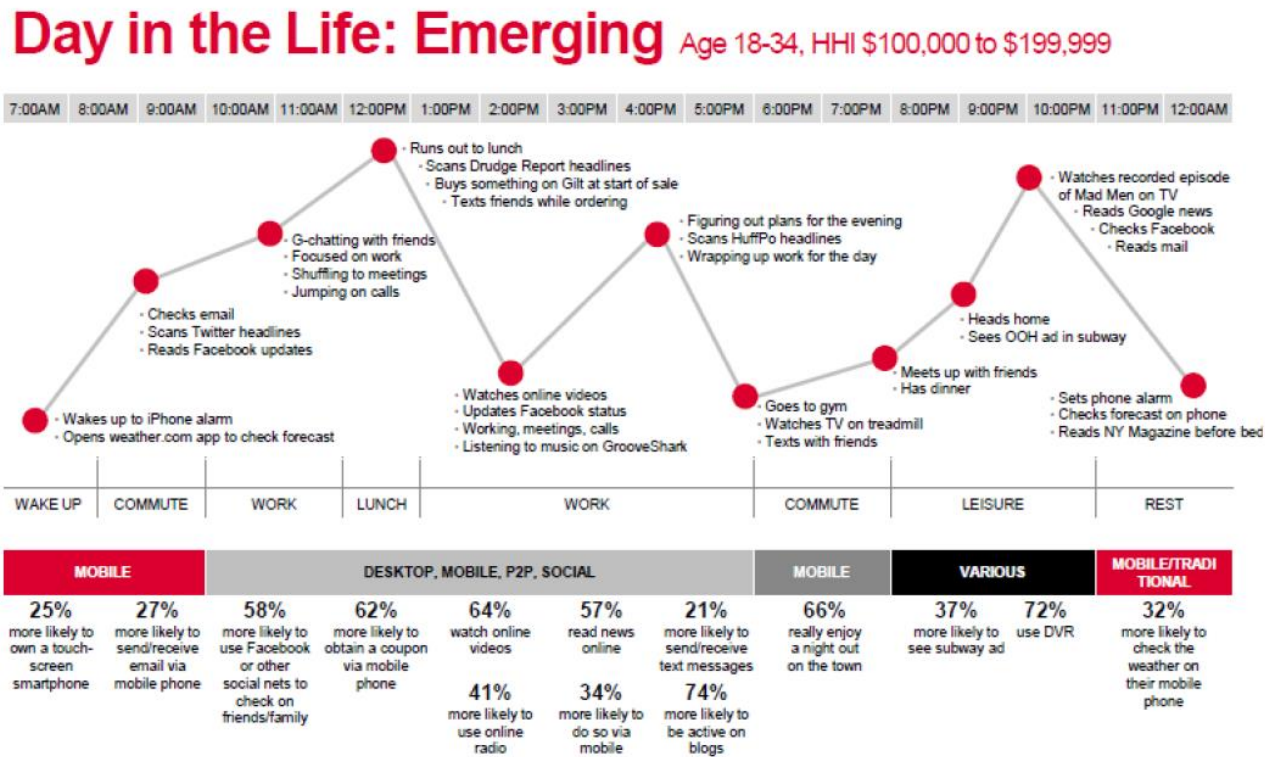

Figure 5 - Emerging customers' daily life[6]

As it will be deepened ahead, the most exploited media is mobile. Important to highlight is their leisure time, where various platforms are used in combination. This trend is going to change the most the media strategy of every single brands: they are altering the media consumption and a typical example is the TV. TV is an important media for this generation too; however, the level of attention they are paying on it is much lower than in the past, because while watching TV they are searching news with tablets or chatting on WhatsApp. There is a multi-consumption today that is affecting a lot the level of attention: customers do not stay looking at the advertising breaks like in the past. Affluents go through information on the Internet and are used to posting on Facebook or tweeting on Twitter, something just viewed on TV. Brands need to repeat the message in social media, in the same moment, in order to be sure that everything is coherent and that they are really breaking the attention of customers.

[6] Alberto Festa, Class notes, Luiss, 2014

A different main target group of luxury industry is that of the so-called "Old money", the ultra-high net worth individuals holding at least 30 million US dollar in financial assets[7]. Traditional rich people fitted in the luxury lifestyle since ever. They generated their wealth and are fully international; they have a social network too but built in many years through international contacts. Old Money customers spent their time in philanthropy and culture; they experience new tools like tablets and mobiles, probably being the first to buy them, nevertheless they use technologies as a tool, not as a source of entertainment and communication. To this respect, they prefer the traditional media; indeed, key media drivers are still offline brands: in the morning, they look at the traditional newspaper and are more exposed to printed ads during the day (Figure 6).

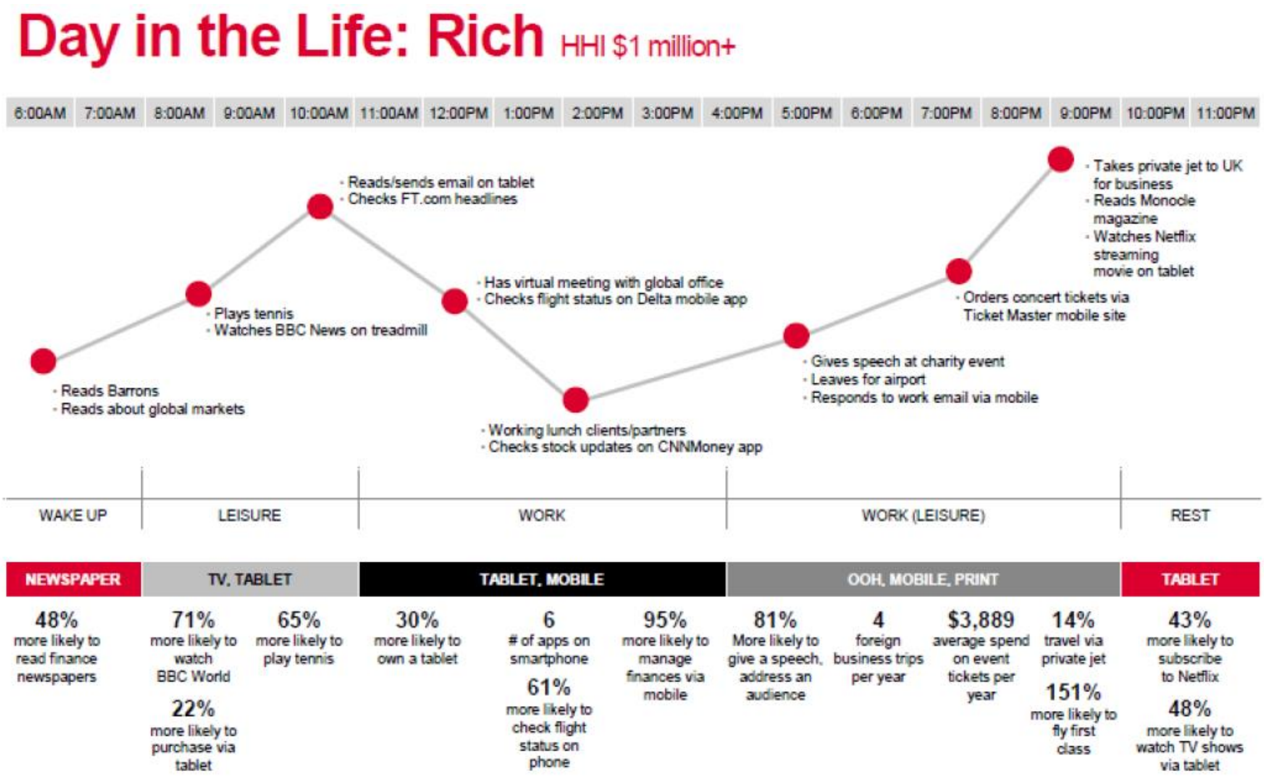

Figure 6 - Rich customers' daily life[7]

It is very difficult that a brand has a single target: one segment is generating the next one. The current segment of Affluents and Millennials today, will become the Old Money segment tomorrow, so that brands need to nurture their portfolio of clients. It is crucial to not target just the oldest clients but to connect to new ones, to expand the clientele applying different strategies

[7] Alberto Festa, Class notes, Luiss, 2014

for both of them. The only one requirement is coherence, in terms of value, symbols and brand image, demonstrating and delivering the same kind of brand through every platform. It is possible to change the way to convey the message but it must be consistent in terms of brand DNA and codes.

1.5 Industry evolution and dichotomies

The luxury industry has registered great changes in the last past decades.
There was a shift from the concept of “old luxury” and “new luxury”. Old luxury was all around features, qualities and attributes of products and the consumption was more tied to ostentation and social distinction from masses (Danziger, 2005, p. 7). The product represented a way to raise the prestige and status of the owner, defining luxury from an external perspective where materialism, superfluousness and the importance of “having” were prevailing in the purchasing decision. Old luxury brands pay lots of attention to all the characteristics that make them more exclusive and elitist, based on an iconic heritage. For instance, a strong connection with the country of origin as assurance of great quality and reputation, limited production and application of a scarcity strategy to give the perception that the product is rarer and raise its desirability (Danziger, 2005, p. 20). The new luxury concept is focused on feelings and on delivering an extraordinary experience to the customers. The term has not a pure definition but it is used to describe an idea connected to the democratization of luxury: it implies more affordable products, focused on the customer rather than on the product. Now, all that matters is how the brand delivers luxury and emotional values. There is a shift from social distinction to personality distinction, where the importance of “being” is a dominant issue. An internalized luxury, not defined from others but from themselves, where consumers choose items based on subjective pleasure and tastes, so that the main consumption driver is the individual style. The experiential luxury marketing today has great importance in the literature of this field as a tool to follow the transformation of customers’ attitude. Differently from traditional marketing, it views customers not just as rational decision makers but also as “emotional beings” (Atwal, Williams, 2009, pp. 334-345), directing their forces to lifestyle, emotion, culture and hedonism-seeking actions. Through this perspective, it is possible to understand better the phenomenon of democratization of luxury. The Boston Consulting Group defines it as the “middle market consumers selectively trading up to higher levels of quality, taste and aspiration” (2002, p. 1). It is the result of different playing forces both from the demand and supply edges. From the

former side, household disposable income today is greater than the past but there is more stress and job insecurity, all the family members work and free time is lacking, spreading the need of comfort and relax. Younger people are wealthier, having already a great consciousness of their tastes and styles. In fact, the globalization and the possibility to travel easily around the world, allowed customers to develop more sophisticated and worldly "palates". On the latter side, nowadays the communication has become global thanks to technology, new channels are arising and the luxury world unavoidably is opening to everybody, everywhere, putting the customer and not the brand or product at the centre of its strategy (The Boston Consulting Group, 2002, pp. 6-7). As showed in the Boston Consulting Group and Altagamma report in Figure 7 (2015, p. 5), the evolution of luxury core activities are shifted from the design and features of the product to the customer: today is fundamental to know consumers, understand their values, attitudes and aspiration. Luxury brands need to forecast the impact that the evolution of purchasing behaviours is going to have on firm's strategy, in terms of store experience, adoption of new technologies and adaptation of marketing mix. The importance of this new type of customer will affect a lot the investment on this sector, estimated of more than 100 billion of euros.

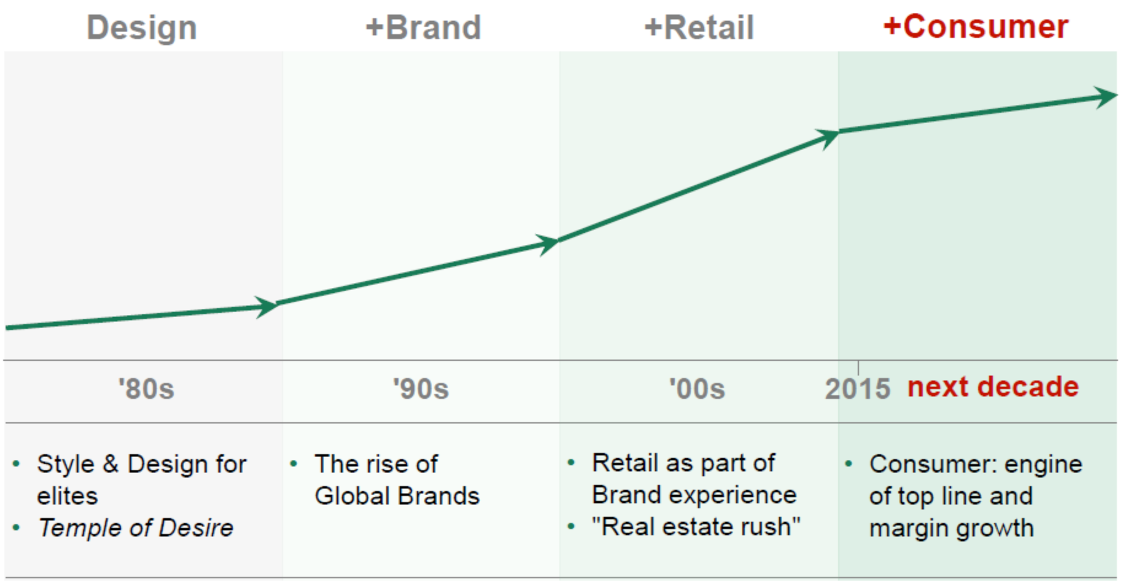

Figure 7 - The Consumer Era[8]

Positioning of luxury brand is always stretched between two concepts: exclusivity and accessibility. These two words are almost the opposite. The secret of the luxury brands' success

[8] Source: Boston Consulting Group, Altagamma, 2015, p. 5

is to find the right point of balance between them. Exclusivity makes the owner of a luxury product special: it allows her to be in the strict elite of the "lucky few", excluding the mass and who cannot afford such high prices. For instance, rich people love art because buying a painting implies that nobody else can but it. The possession of a painting excludes others from the ownership. It drives the image and the dream of the brand; it allows to set a premium price and to define the brand style. This is possible by increasing limited edition products, by using a selective distribution and creating special events. It is difficult for an emerging brand to know when "open itself" in order to become profitable. Starting to open a brand implies that inaccessibility has been already created, in order to make the brand desirable (Kapferer, 2010, p. 128).

Accessibility drives the brand awareness, supports profit and losses, helps enlarging customer base and optimizing productivity. It can be obtained by lowering prices; nonetheless, this practice is not easy in this industry where to a decrease of price correspond a decrease in the image perceived of the brand. Let us consider some attempts of balancing exclusivity and accessibility. The Louis Vuitton's bags are widespread and accessible products but, in the same time, when customers buy it, they are feeling to be part of an exclusive world. The European Tiffany's positioning is completely different from that it has in the US, where the jewelry brand is considered the most exclusive diamond retailer: many American women dream to receive the iconic engagement Tiffany ring. The European context is dissimilar because Tiffany decided to take the strategic decision of being more accessible, giving a great visibility to its silver heart rings and neckless. Its first objective was to have productive stores with high level of traffic. The downside is that the trade up towards the diamond business became very difficult: European customers dream a Cartier, Van Cleef & Arpels or Bulgari diamond ring, but not a Tiffany's one.

What makes challenging the right balance between these two concepts is the paradoxical nature of luxury: "The more desirable the brand becomes, the more it sells, but the more it sells, the less desirable it becomes" (Patrick Thomas, CEO of Hermès), every time a brand sells a product, it is diluting its value. Thus, it is indispensable to recharge the brand back, finding the right balance between accessibility and exclusivity and a system to make it possible is through the creation of a well-controlled scarcity.

Scarcity is an imperative theme in luxury. It is an arrangement among different crucial elements. High prices that create the expectation of the product's quality; high costs that imply the best quality, essential to being considered a luxury brand in the medium-long term; craftsmanship, the importance of the "made in"; limited distribution, find the right balance between innovation

(e-commerce) and tradition; selective promotion activity; and minimal advertising, representing a way to create lifestyle and dream, not to explain the product.
A possible way to raise accessibility's level and, in the same time, nurture the dream and the perception of exclusivity of a brand, is by using the World Wide Web. Internet is the maximum expression of an "accessible tool", useful not just as selling mean but also as communication vehicle, spreading fast and numerous information that could make the customer conscious about the heritage and the uniqueness of a brand.

1.6 Digital luxury and online brand communication

Luxury brands have always seen the online world with high skepticism, and they were right to do so (Okonkwo, 2009, p. 304). These two domains appear to be completely different in many respects and luxury managers believed that they would never have found a point of contact. It is hardly conceivable that a luxury brand, exclusive and elitist, constantly looking to a position that increases its prestige in terms of scarcity and limited distribution, could be connected to the most exposed and accessible tool par excellence: the Internet. Even today, "the Internet dilemma" is a primary issue in every company of the sector, keeping back to the point: how to balance luxury exclusivity with the powerful inclusivity of the prevaricating and absorbing Internet world? Luxury brands online presence is indispensable, for a long time they refused to bare themselves to innovation, in order to protect their aura of inaccessibility; it will suffice to consider that Prada did not own an official website until 2007 and neither Chanel nor Fendi still have a shop online today (ConctatLab, Exane, 2014, p. 8). For a type of luxury where "experience" is a key word, it was impossible to think to recreate it through such as impersonal mean as the web. At the beginning of 2000's, analysts were convinced that consumers would not be inclined to spent online big amount of money, discouraged by the absence of a physical exchange and a sensory purchasing experience. Contrary to previsions, the principally purchased products were the most expensive: Oscar de la Renta obtained an order of 80.000 dollars from a single customer when he launched its online store (Voyer, Tran, 2013, p. 3).
The e-commerce phenomenon was amply debated in the last decade, for this reason I would like to focus on luxury communication on the Internet, a less discussed topic, deepening how brands are able to connect with clients born in the Digital Era.

1.6.1 Luxury communication

Communication in luxury is fundamental; it is the first step to create the dream and desire and to recharge the brand value since products sales bring money but take away with them a piece of exclusivity. It has to project customers in a dreamlike world where prices are not included: they would suddenly catapult viewers in the real world, losing the magic image and atmosphere built. Communication is not aimed to selling but to showing, thus luxury can never make discounts or talking about brand’s financial results (Kapferer, 2010, p. 262).

There are three fundamental rules in the luxury communication brands need to respect: fixing objectives and what they want to communicate; defining the target they are going to talk with; and the media choice, brands will never have the possibility to play all the media because of the fixed budget that needs to be optimized. A&P budget is the budget that support in advertisement and promotion the goal of the company. It is about 10/20% of sales turnover of luxury brands that will be dedicated to funding the investments in communication. It is constituted by two main parts: ATL, above the line media, used to target and engage a wide number of people having similar characteristics through traditional tools such as TV, newspapers, magazines, radios, etc.; and BTL, below the line media, which allow a closer relation with single customer through mailing, CRM activities, etc. Between them, lies the new media communication group, including digital innovations and social media. Luxury needs an integrated communication plan because it is not possible to focusing on one single tool in order to communicate and engage different targets in the proper manner. Luxury is not comparative and its communication does not focus on highlighting why a brand is better than another (Kapferer, 2010, p. 275). Luxury reputation is strongly based on how customers perceive the brand and how they talk about it among each other. For that reason, firms need to be creative in their communication and built a great story around them. People are more willing to welcome stories rather than advertisements, which are shareable and endure for a longer period in their minds. Within the modern luxury communication, a greater importance is associated with digital touch points, such as display advertising, mobile, websites and social networks.

One of the most important issue in luxury is the capability to balance tradition and consistency with DNA, with innovation. Using the Internet and social networks to communicate with clients rather than a limited advertising campaign is a crucial step forward for luxury brands.

The Internet became one of the most potential communication and distribution tool nowadays. Luxury brands and the Internet had always had a love/hate relationship due to the big opportunities it delivers to the industry but also huge threats in terms of counterfeit product market. In paragraph 1.1, we have analysed the characteristics proper of the luxury industry, and we saw how control, multisensory experience, specific culture, heritage and time are key concepts for it. Internet embodies opposite features: it is based on a virtual experience, two senses over five are involved and there is no physical contact with products and sales personnel. It lacks of a central luxury requirement: the human and personal relationship. Time is a focal point in luxury while speed is one of the most representative word connected to the Internet; it could be better related to the fashion world, as we have seen previously, where the necessity to follow continuously changing trends is prominent. The Internet allows people all around the world to have access everywhere in the World Wide Web; it concedes that customers with diverse cultural background are free, without control. The absence of boundaries weakens, if not erases, brand control and consistency (Kapferer, 2010, pp. 255-259). Moreover, the Internet is widely associated with the idea of counterfeit or damaged products, discounted prices and good deals, all elements forbidden in the luxury world (Okonkwo, 2009, p. 305).

Although the numerous discrepancies between luxury and the Internet, the latter represents a great tool to gain success for luxury companies. It is the most democratic medium nowadays and it is the "natural environment" of Millennials, one of the most influential segment in this sector. Luxury firms cannot avoid having a strong online presence if they want to survive and prosper. Some authors, like Kapferer, stated that a brand selling online is not a luxury brand, the Internet is judged a great tool for the luxury business just to the respect of communication (2010, p. 255). Communication cannot be interpreted as mere advertisement, a unilateral channel where the customer is passively exposed to product commercials. The Internet is evolved, becoming a multidimensional platform encompassing a wide number of functions and allowing the dissolution of information asymmetry between the firm and the customer. It makes necessary to "round the edges" of the top-down luxury attitude in order to adapt to customers, conscious of what they want and how to obtain it. No more than a simple mouse-click is enough to switch from a brand to another; with the Internet, the bargaining power of customers has reached huge proportions, requiring, now more than ever, a further effort to create a durable trustful relationship with clients, "conversing" with them (Okonkwo, 2009, p. 307). Blogs and communities proliferate on the Internet: people trust less in brands promises and more in their peer's suggestions; that is why platforms like Tripadvisor and Airbnb gained such big success (Huge, 2014). Could this strategy be applied also to the majestic and exclusive luxury brands? Despite the big divergences, luxury brands and online world can and have to coexist, being consistent with their own identity, creating a great online luxury multisensory experience and integrating online and offline strategies. (Kapferer, 2010, p. 259).

The collective and shared nature of the Internet lead to a revolution in the luxury communication system, allowing a bilateral conversation among firms and clients. Rather than passive subject of advertisement, customers gain control and the opportunity to choose the contents they are interested to (Okonkwo, 2010, p. 184), they became the center of brand's strategies. As stated by Okonkwo: "The rules of the game have changed from push media […] where customers are driven by advertising […], to pull media […] where customers are drawn to information and purchases" (2010, p. 185; 2009, p. 304). "Targeting" does not mean just attracting people with beautiful images or videos, but also engaging and retaining them, boosting interactions and reciprocity. Stores and the Internet should be considered simultaneously because they are complementary tools. Building a solid relationship between the brand and its customers concerns some steps: attracting is the primary role of the firm through product's images, storytelling and heritage; engaging customers by relating to sales assistant or through an intuitive interface and navigation, building interactive contents; retaining customers by launching new products and creating digital communities; learning, having feedback is fundamental for luxury firms both because it strengthen the bond between brand and customer (Kapferer, 2010, p. 273) and because it makes possible to update preferences and capture useful information about the target; and relating customers through clienteling, personalized communication and real time interaction[9]. Online and offline activities are now converging in several points, it suffices to think that the majority of magazines and TV stations have a complementary presence on the Internet, with blogs and web channels (Okonkwo, 2010, p. 192). The objective here is to create a positive feeling with customers, creating a communication strategy that try to fit all the concepts mentioned above. According to Pam Danziger, president of the renowned marketing consulting firm Unity Marketing: "Key is to find the right song, the right story" (2014, p. 32).

A brand needs to select the message on the base of the target it wants to reach and it becomes crucial to consider four different groups when talking about target in communication: Gen X, Classical, Luxury Travellers and Millennials. They are the most important targets in terms of communication and have their own characteristics that will affect brands' choices in planning their strategies.

[9] Cesare Amatulli, class notes, Luiss, 2014

1.6.2 Targets in communication

Many geographical areas now are vastly influenced by touristic spending for luxury goods, justifying the market attention on this particular segment (Bain & Company, 2014, p. 15). Luxury Travellers are people ranging from 25 to 45 years old that do shopping outside of their countries. By looking at their behaviours, luxury brands can discover many ways and occasions to talk with them. A starting point is to consider the media they are looking while planning their vacations, checking which are the most important booking sites and having a banner representing the product there. Later, it is important to recall the message the brand has already delivered at home through billboards at the airport or train station. Finally, in every single cities there are some areas dedicated to high-end level shopping, very attractive for tourists; being present in Piazza di Spagna, Place Vendôme or Bond Street is the perfect way to have a contact with them.

Classicals' cluster includes customers above 50 years old; they had always been a highly profitable segment for luxury. A particular target of Classical, emerged in Japan, the second largest luxury market, calls for special attention. Japanese new seniors already have children, family and now they can relax and take care of themselves, spending the money they have gained during their lives. Compared to Millennials, they are less exposed to media, nonetheless, they are the generation lived and breathed videogames and manga. They are used to be impacted by pictures, thus for luxury brands the best way to talk with them is through meaningful images and scratches.

Through the term Gen X are defined customers ranging from 35 to 49 years old. It is interesting to analyse how this cluster could present intrinsic differences in the China's emerging luxury market. China is a very wide territory and presents relevant socio-economical differences, described by the classification system of Tier 1, 2 and 3 cities. This division seems evident also related to the level of development and consumption of luxury products. In Tier 1 cities (i.e. Shanghai, Beijing), there are more self-confident customers, sure about their tastes and ability to choose luxury products: they claim items that can distinguish themselves from others. For that stylish clientele, brands should invest on their websites and locations in order to engage them, because they will directly search for the brand online and in store, they are aware about luxury brands. While, in Tier 2 and 3 cities, there is still a need to consume in order to be part of a group; here, the luxury brands' awareness is slower than in Tier 1, people are not aware about the brand, which needs to be recognized and uses more newspapers and magazines to be considered.

1.6.2.1 The Millennials

Burberry is often quoted as a model for a successful digital strategy. In the Capgemini Digital Transformation Review, the former firm's CEO Angela Ahrendts explains that targeting Millennials was the main tactic to overcome the period of underperformance, suffered by the brand in 2006, while its competitors were still focused on the Baby Boomer's segment (2012, p.7). Recently, Saint Laurent showed a similar trend: the brand was completely renovated by Hedi Slimane, who kept a solid connection with the historical past of the firm albeit renewing its style and reinterpreting new customers' tastes. In this way, Saint Laurent has recorded a growth of 29% in the second quarter of 2014, whereas firms locked to traditional values such as LVMH, Rolex and the conglomerate's "mate" Gucci, reported less satisfying results (Danziger, 2014, pp. 22-23). Millennials are one of the most important target nowadays for luxury: people between 18 and 35 years old, starting now consuming luxury products and having personal characteristics very different from the other segments. Getting on in years, the so-called Digital natives (Prensky, 2001, p. 1) or Millennials (Howe, Strauss, 2000), represent the results of the heavy impact the continually evolving technologies had in our lives. Digital natives have a media consumption higher that others and are the most interesting target for luxury brands because they will be the people that are currently starting, and still having the entire life, to buy luxury products. Cisco Systems Inc., worldwide leader in networking, has gained results that appear almost surreal from its latest Connected World Technology Report, which, however, shows the true extent of that phenomenon these days. The report revealed that 42% of young people between 18 and 30 years old would be willing to relinquish their sense of smell in order to maintain internet access; or even 54% of Gen Y first look at their smartphones upon waking up and just 33% at their loved one (Cisco System Inc., 2014, p. 6). Millennials have a profound relationship with all digital devices, from computers to tablets, but mobiles are the most used media at all and it is vital for brands to include it in their communication plan. The Bulgari Digital Overview displayed that, from 2010 to 2014, mobiles showed a great expansion in use, definitely overcome TV (Havas Media, 2014, p. 2). Millennials are twice more likely than all adults to give up broadcast TV before their mobile phone; 87% of them do other things while watching TV. They spent an average of 14.5 hours/week using their smartphones. 30% Millennials use four or more devices a day and 50% say they need constant internet access (Experian, 2014, p. 3). They are connected 24/7, digitally addicted because accustomed from an early age to be interconnected through ICT technologies, and share common traits that help researches to examine them as a cohort (Braccini, Federici, 2014, p.

33). Individuals who wants to receive information instantly, they prefer images and videos to texts, and are highly networked among each other.

As Danziger stated: "Millennials are poised to become the biggest spending generation in history. [...] Over the next two following decades, the Boomers (Millennials' parents) will move into retirement with dramatic change in consumption patterns, and Millennials will become the leading force in the consumer market, [...] especially [...] at the high-end or luxury edge" (2015, p. 30). Referring to the biggest luxury market, the US, we can see how Baby Boomers were and are one of the main target for luxury brands, 76 million compared to the 71 million of Millennials in 2005 (Danziger, 2005, p. 15). In 2014, Millennials placed first in terms of share (25% vs 24% Baby Boomers) with the highest level of consumption among different product categories and generations[10], arriving at about 80 million with a yearly spending around 600 billion dollars (Accenture, 2013, p. 2). Examining these data, it will not be surprising that in the near future, Boobers are going to lose their position within the luxury customer segments Olympus against their sons. Therefore, it appears essential for the luxury sector to start from now planning and preparing themselves for this future transition, expected around 2018-2020 (Danziger, 2014). The turnout of this new segment will make a substantial change in the definition of luxury. Just in 2014, digital investments in the market reached an amount greater than the 2007-2013's average, and they are constantly expanding (Havas Media, 2015, p. 6). Already in the last decades, we have witnessed a significant evolution of this industry, which has changed its priorities going from a more austere luxury, called such because inaccessible and elitist (Aristocratic luxury), to a more dynamic luxury, forward-looking new generations and vehicle of self-expression (Democratic luxury) (The Boston Consulting Group, 2002, p. 8). Millennials prefer essence to sense, focusing on experience and sharing rather than on possess and exclusion. Greenhill defined this tendency "inclusive exclusivity" stating that it can lead to success and brand equity's increase: "For them [Millennials], it's less about "I can and you can't," and more about "I can and you should come along". They see luxury value as a derivative of how many people want something, whether they can afford it or not" (2012). In this context, luxury products are bearer of self-expression, projected to future, rather than a trophy to show what has been reached in the past. It is expected that Millennials will only further extend this trend, moving towards a luxury closer to their codes and values, which the luxury brands will inevitably adapt to. In order to be successful within the web, in particular through social media, it is critical to creating a positive conversation with them. Here, the

[10] Alberto Festa, class notes, Luiss, 2014

Wilde's quote "There is only one thing in the world worse than being talked about, and that is not being talked about" is not valid. One of the main risk related to the Internet is that the more you are sharing information and giving access to people, the more you could receive bad buzzes: negative consumer comments can decrease both brand image and sales (Voyer, Tran, 2013, p. 6), (Accenture, 2013, p.5).

Brands need to build desires in order to communicate well with Millennials: they must deliver an excellent and stimulating experience, become familiar and intimate with them using digital innovations.

Chapter 2. Case studies: the Jewelry Market

2.1 Methodology

The objective of this study is to explore how high-end jewelry brands use the Internet communication tools to target Digital Natives and how they can retain their aura of exclusivity while opening their business on the web. I have decided to contextualize the research question relating it to the study of three leading companies of the sector: Bulgari, Cartier and Van Cleef & Arpels. Based on the work of Robert K. Yin "Case Study Research" (2003, p. 40), I have structured the three cases as multiple embedded case studies, whose unit of analysis focus on the brands' online presence (social media and websites). In order to do that, the methodology implemented was aimed to enhance the development of the Grounded Theory model. The model allows researchers to examine a large volume of data, getting dynamic relations among concepts and explaining the phenomenon under study and its eventual connection with data and theories (Mattarelli, Bertolotti, Macrì, 2013, p. 40).

I have started the analytic process by briefly consulting the existing literature about the relationship between luxury and the digital world, keeping any type of deduction in abeyance in order to not be influenced in disclosing new insights. Further, I have collected data about social media presence (Twitter, YouTube, Instagram and Facebook) and official brands' websites through various free online platforms. Concerning Twitter, I have employed three online tools: Twitonomy for what concerns accounts' statistics and relational data; TrueSocialMetrics for analysing best and worst posts, trends in terms of amplification, applause, conversation, engagement and interaction rates; and finally, Klear for demographic information. Due to the insufficient number of reliable analytic tools, I have personally collected YouTube and Instagram's data through quantitative and qualitative observations, reporting every inferable evidence from brands contents. Just a couple of estimation of the two media are ascribed to the web tracker SocialBlade. I have exploited the Fanpage Karma monitor service to gain data relating to the main aspects of Facebook, ranging from statistics to estimation of the posts' advertising value within the medium. Here, I have also tried to use the NodeXL excel template in order to gain some data about sentiment analysis for social media, but without success. Attempts to collect info concerning brand's online sentiment have been hampered by the exiguous number of free dedicated tools, thus, I have just found few data through the social media search engine Social Mention.

About websites, initially, I have conducted a SEO analysis through the online platform Quicksprout, which provided me insights related to technical and structural data useful to understand the usability of the three official pages. Later, taking cue from, implementing and updating the method adopted by ContactLab and Exane in their study (2014, pp. 44-55), I have performed a qualitative analysis in terms of product visualization, selection and presentation, focusing on the websites as a means for engaging and helping digital customers in gaining information or in influencing future purchasing decisions.

Following the guidelines of esteemed researchers within the field (Mattarelli, Bertolotti, Macrì, 2013, p. 31), (Gioia, Corley, Hamilton, 2012, pp. 20-21), once the data collection has been completed, I have started to analyse the identified outcomes and grouped the recurring themes into 1st-order categories (open coding). Then, I have found relationships among them designing 2nd-order categories (axial coding), using as coding paradigm the technology, social, and information artifact dimensions. According to Lee, Thomas and Baskerville, Information System artifact: "… refers to a system itself consisting of subsystems that are: a technology artifact, […] human-created tool whose *raison d'être* is to be used to solve a problem, achieve a goal or serve a purpose; […] information artifact, […] instantiation of information, where the instantiation occurs through a human act [either directly or indirectly]; […] social artifact, […] relationships or interactions between or among individuals through which an individual attempts to solve one of his or her problems, achieve one of his or her goals or serve one of his or her purposes" (2014, pp. 6-9). Finally, I have assembled themes and categories in aggregate dimensions, building a data structure representation in order to confer more rigor to my qualitative-inductive research. The analytical tool NVivo supported me during the whole data analysis process through the design of queries and conceptual nodes. Here, the Grounded Theory helped me in moving from static connections expressed in the data structure to a dynamic model, defining a conceptual path for assessing my research question. In chapter 3, I will deepened the insights arising from the above-mentioned analytical process.

2.2 The Jewelry market

In order to utterly comprehend the cases I shall return to later, it is indispensable to explore the wide range of characteristics of the context in which the three brands operate: the jewerly market. As it has been mentioned before, the luxury jewelry and watches sector occupies a relevant position among the four categories of traditional luxury.

Jewels have and had always had a strong influence and impact in the human beings' history. Back in 110.000 B.C., when humans started to wear clothes and make tools, the first primitive jewels were created using disposable materials (History of Jewelry).
As time passes, moving through different cultures, styles and technologies, jewels have never lost their nature of non-verbal self-expression vehicles, allowing individuals to show off their wealth, status or affiliation to a distinct social, political or religious group. Used as communication, identity and individualism symbols, they have always been utilized in important public ceremonies such as weddings or coronations. Jewels, like all luxury products, are not just material accessories, but they can embed immaterial aspects, emotions, which make them much more precious than their effective monetary worth. These qualities mean that the jewelry industry is considered "timeless" and in continuously development and modification.

The last Datamonitor's data shows that: "The global jewelry & watches market had total revenues of $290,4 billion in 2014, representing a compound annual growth rate (CAGR) of 6,9% between 2010 and 2014. Jewelry sales had the highest value in the global jewelry & watches market in 2014, with total sales of 247,9 billion, equivalent to 85,4% of the market's overall value. The performance of the market is forecast to follow a similar pattern with an anticipated CAGR of 7% for the five-year period 2014-2019, which is expected to drive the market to a value of $407,5 billion by the end of 2019" (2015).
The global jewelry market is highly competitive and fragmented, considering that in the last quarter of 2014 in the US alone, there were 21.463 specialty jewelry retailres (Edahn Golan, 2014, p. 13). In the same year, the branded jewelry was just 20% of the overall market, leaving unbranded a wide market slice of 80% (Mckinsey & Co., 2014, p. 3). This result could be encouraging for small and medium-sized firms that can aspire to compete with the top outstanding jewelleries. Price is not the only variable on which sales and company profitability are based; a lot depends on good merchandising and marketing activities too. Low and high-end jewels are sold both in mono-brand and department stores, and in the last decade, also through online stores.
As operated in paragraph 1.3, a distinction must be conducted amid the main competitors of the sector: among Jewelers, whose firm's historical core product are jewels, and Fashion brands, firms proper of the apparel sector that, over the years, have carried out brand extension strategies in the luxury jewelry field. In the former category, the most relevant brands are Boucheron, Bulgari, Cartier, Chaumet, Chopard, Damiani, De Grisogono, Fred, Graff, Harry

Winston, Mauboussin, Mikimoto, Pasquale Bruni, Pomellato, Tiffany, Van Cleef & Arpels; in the latter, Chanel, Gucci, Hermes, Louis Vuitton and Dior.
As previously said, I chose as object of study three brands within the top five positions of the jewelry market: Cartier, Bulgari and Van Cleef & Arpels.

The jewelry retail market is founded on the use of different types of materials, including gold, diamonds, silver, platinum, precious stones, to name a few. According to that, three-level price/quality positioning system prevails: fine, bridge and costume jewellery (Figure 8).
Typically, the fine jewellery consists of at least 14-carat products, prices range from 400 to 50.000 euros and materials and precious stones as gold, platinum, diamonds, rubies, emeralds and sapphires are employed. Such high-end products carry a sophisticated level of design and style, regarded as collector items and long-term investment to pass on through generations. Usually they are artisan-made in limited edition. Cartier is a prime example of fine jewellery brand.
The term "costume jewellery" was coined by the movie producer Cecil B. DeMille in 1930 and in contrast to fine jewellery, it includes items created through non-precious materials or semi-precious metals and gemstones such as leather, glass, synthetic crystal or plastic and synthetic stones. The price range is up to 100 euros. They are fashionable mass produced objects that often are aiming to emulate that of fine jewellery. Monet, Napier and Dior himself are renowned designers of costume jewellery.
"Bridge" is a word deriving from the apparel industry, coined to describe the portion of the market walking a fine line between designers and mass production, it is therefore considered as a "bridge" between fine and costume jewellery. The materials used can range from sterling silver to semiprecious gemstones like amethyst, acquamarine, citrine, jade, topaz and in general all those that are not listed in the fine jewellery. The majority of bridge jewels are hand-made, but they can be mass-produced too and the price range is from 100 euros up to 400. Swarovski is a notorious representative of this category (Donnellan, 2013, p. 144).

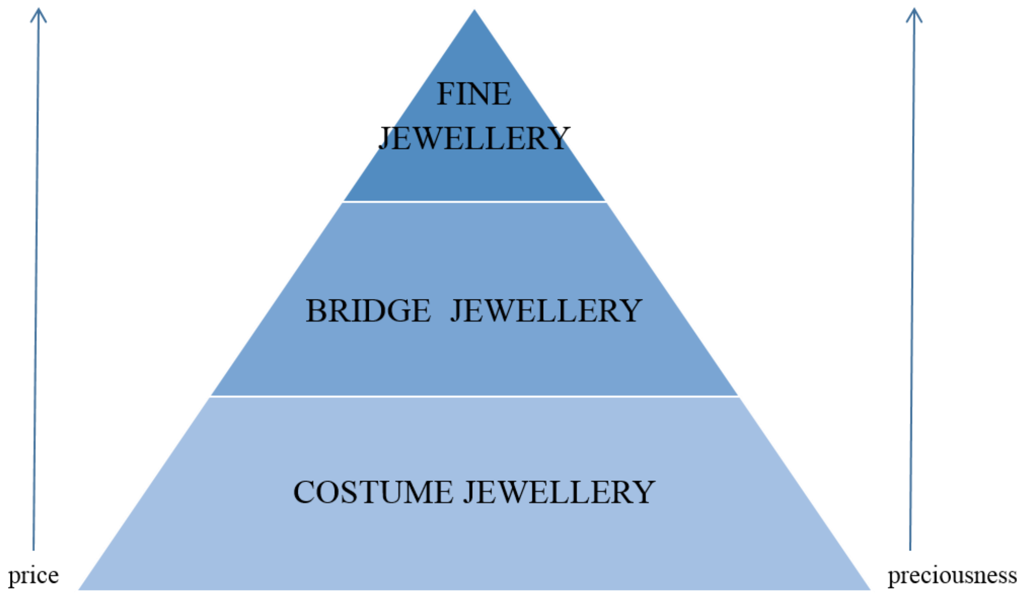

Figure 8 - Jewelry market segments[11]

Today this clear distinction is become more ambiguous; the growing tendency to combine precious elements to semi and non-precious materials is leading to muddle the boundaries among the three categories. To this perspective, it is not easy to classify products, thus price points and brand positions will be more and more valid variables in defining jewelry segments (Mckinsey & Co., 2014, p. 5).

Here, a deepest overview of the most relevant sectors in the jewelry context: the gold and diamond markets.

2.2.1 The Gold market

"Consumers look to gold as a product with unique breadth. An expression of who you are and who you want to be, gold combines status with beauty and romance with wealth preservation" (World Gold Council)

Gold is one of the most appreciated material by human beings since ancient time for its beauty, chemical and physical characteristics, which have made it versatile for various purposes throughout history. It is mainly characterized by three elements: colour, caratage and fineness.

[11] Rielaborated from CBI Market Channels and Segments for Jewellery

Malleability and ductility are two key elements of pure gold that is too soft to be used in its pure state. This is the reason why it is used to be combined with other materials which make it enough hard and resistant to be kneaded, giving life to the so-called Gold Alloys.
Different colours can be obtained merging fine or pure gold with one or more elements. The yellow gold is for sure the most popular alloy, the jewel appears warmer and richer and it is attained by the combination of pure gold and copper, high quality silver and zinc. The pink or rose gold is a more unusual colour, derived from an alloy where high-quality copper is the prominent element, conferring it this warm and smooth hue. The white gold is one of the principal choice for wedding bands in the US and it is achieved through the blend of fine gold copper, nickel e zinc. To complying with current nickel regulation laws, the white gold alloy is not fully white but “yellowish” and to gain a brighter shiny effect on the surface it is rhodium plated.
The word carat derives from the carob seeds used as balance scales in the ancient Asian bazaars for weighting gold. It defines the unity of purity of gold alloys. For instance, the pure gold is 24-carat, and since it is very fragile, is reserved to ceremonial or display use, while 18-carat gold (75% of pure gold alloyed to 25% of other materials) items are the most widespread. The legal minimum level of caratage varies from country to country: in the US is 10-carat while in many European countries is nine or eight.
Finally, the fineness expresses the purity in parts per thousand (i.e. 18 carat-gold is a gold alloy having 750 fineness).

Jewellery accounts for the largest single category of global gold demand, at 51%. Across the world, this jewel takes many forms and many personal and cultural significances, even in the same society. The World Gold Council own research on the attitude towards gold jewellery demonstrates how diverse this satisfaction could be. Surveying 30.000 women in India alone, they found aspiration and belief in gold to be at highest levels. Almost 90% of Indian women agree that gold jewellery represents the expression of their style, but in the same time, these same women believe strongly in jewellery financial worth, in its spiritual significance and in the emotional bounds it fortifies with in-family relationships (World Gold Council website).
PWC research (PWC, 2013, pp. 32-33) suggests that the global jewellery market may contribute around 70 billion US dollar to global GDP. The report also highlights the importance of India and China in driving demand for jewellery. Since 2010, these two key markets have accounted for more than 50% of world jewellery consumption and demand.

Table 1 - Top 13 Gold Jewellery fabrication and consumption by country (tonnes, 2012)[12]

Country	**Fabrication**	**Consumption**
India	618	552
China	498	519
United States	54	108
Russia	49	70
Turkey	74	62
United Arab Emirates	25	50
Saudi Arabia & Yemen	33	47
Egypt	38	46
Indonesia	36	31
Vietnem	11	11
Thailand	14	3
Germany	15	-
Switzerland	29	-
Total	1494	1498
Global	1893	1908

According to the World Gold Council's data, in 2013 the global demand of gold jewellery grown by 14% compared to 2012, affecting the highest demand levels from 2008 and dropping for 9% in 2014 (World Gold Council, 2013-2014). In 2013, China overcame India as major manufacturer and consumer of gold jewellery, due to restrictions of gold imports and the decline in value of the local currency, reaching 30% of global jewellery demand. This huge expansion in the market is explained by the equally huge phenomenon of transformation experienced by the country during the last 30 years, moving from little and poor villages to big and flourishing *metropoleis*, with a 140% development over the past decade. This growing tendency is driven by an even more affluent society, where the Millennials generation is playing a pivotal role in the Chinese context as well as in the Indian's one. Young Indians aspire to express their identities through the purchase of a gold jewel. The average age of first gold purchase in China is becoming younger and it is forecasted that the digital segment will become the "driver" of jewellery and luxury demand in the next few years: "Aged 16 to 35, these 'millennials' are driving a reinterpretation of luxury: gold is at the centre of their journey." (World Gold Council website).

America is more tied to wedding celebrations consumption; it is the third country in the world for gold jewelry market, where the high-end yellow gold jewels are top purchased products by

[12] Source: World Gold Council and Thomson Reuters GFMS Gold Survey 2013 (PWC, 2013, p. 32)

American customers. They perceive gold as the "love metal" par excellence, driving its dominance within the market and making the US market for engagement and wedding bands more than 9,7 billion of dollars.
In Europe, gold jewellery is the leading product category in demand, where the expanding demand of exportation is driven by the "Made in" especially in the fine jewellery segment (CBI, 2014, p. 3).

2.2.2 The Diamond market

Diamonds are undoubtedly the most well-known and appreciated gemstones. The industry was born in South Africa, main destination for all those following the diamond rush, where two entrepreneurs, Cecil Rhodes and Barney Barnato, discovered a diamond of 83.5 carats in 1866. They immediately understood the potential of the country and founded in 1888 the company De Beers Consolidated Mines. In order to control the market they created a system, still in place, based on appointing 100 merchants who 11 times a year participate to an action for buying lots of diamonds, ranging from small to medium and big sized. Although the share is declining, De Beers control 70% of the diamond market, but countries like Canada and Russia decided to not sell it their diamonds, creating strong competitor firms. Independent companies like Graff and Harry Winston raised during the years.
Diamonds' prices are determined by the Rapaport system, grounding its calculation on the 4Cs of diamonds: carat, colour, cut and clarity.
Diamonds colours go from D to Z nomenclature, where D, E and F are colourless and D is the purest one. From G on, the colour becomes more opaque and the diamond less transparent. The nomenclature does not start from A because at the time the system was employed, it was though that minors may find in future more transparent gemstones. Very precious and rare are the coloured stones, usually yellow.
In nature, diamonds are created through process of hit and pressure, thus in some cases, they may contain imperfection, affecting the level of impurity called clarity.
The final diamonds' shape is the outcome of manual cutting processes, made to erase impurity; usually 50% of material is lost. The shape can affect both the value of the stone (round diamonds are the most precious) and its ability to reflect lights.

Contrary to the gold market, the diamond demand relies mainly on jewelry production and business. In the last five years, demand for diamonds recorded a positive trend with a CAGR nearly 5% from 2008 to 2013. As well as for gold, India and China are drivers of diamond growth and global sales were US$79 billion in 2013, while the US is still the biggest diamond market in terms of consumption size (De Beers, 2014, p. 14). Recently, De Beers's studies showed contrasting outcomes between developed and emerging diamond jewelry retail businesses: "In developed markets, retailers have faced pressures from a weak economic environment and strong competition from branded luxury goods and experiential categories, as well as the low-price models of e-commerce companies. On the other hand, the growing middle classes and increasing consumer appetite for diamonds have allowed retailers in developing markets, together with the less prevalent e-commerce models, to enjoy higher margins and return on invested capital, although these too have started to come under pressure." (2014, p. 24). In 2013, the importance of online channels raised in both markets, not only to the respect of online purchases (the US alone recorded 30% of growth since 2011), but also for research purposes before buying. In China, the Internet is much used to learn more about diamonds products and brands and mobiles are forecasted to be one of the main tool for gaining awareness about products in both American and Chinese markets (De Beers, 2014, p. 26).

Probably, this trend is also driven by young people, aged 18-34, interested and fascinated by diamonds, which still represent the most popular choice for fine jewelry for this and other segments: "Diamonds were almost three times more popular than any other type of jewellery" (De Beers, 2014, p. 54).

2.3 Jewelry Brand Analysis

The following companies' analysis is aimed to deepen the elements of the three firms mainly related to their culture and history, in order to understand the primitive drivers of actions and success and, in the next paragraph, how they are projected through on line communication strategies.

2.3.1 Bulgari

The Bulgaris descend from an ancient family of Greek silversmiths from Epirus whose progenitor, Sotirio, designed precious objects in silver according to the jewelry traditions of classical Greece. In the mid-nineteenth century, Sotirio moved to Italy and in 1884 opened the first store in Via Sistina in Rome, replaced in 1905 by the Via Condotti's store, which today is the nerve centre of the whole Bulgari's distribution structure. Giorgio and Costantino, sons of Sotirio, supported the father in managing the family business and drove, in the 40's, the detachment from the French school's strict disciplines in order to create a distinctive style inspired by the Greek-Roman classicism, the Italian Renaissance and the XIX century goldsmith Roman school, actively contributing to shape the production through defined and original features. The father entrusted the commercial management of the company to Giorgio and the study of ancient goldsmith to Costantino. In the 50's and 60's, the audacious and pioneering style of Bulgari gained success among movie and jet set stars. The perfect hand-made realization, the fineness of composition and the unique design make its jewels real cult objects. In 1984, Paolo Bulgari became Chairman of Bulgari and Nicola Bulgari and Francesco Trapani were appointed, respectively, Vice-Chairman and CEO (currently Jean-Christophe Babin). Thus began a period of strong growth and important challenges for the brand that leads to the creation of accessories, leather goods, scarves, ties and glasses. 2004 was a year of intense activity, where the brand, in order to further develop the production of diamond jewelry, created a joint venture with LLD Diamonds Ltd., a company wholly owned by Leviev Group, one of the largest producer of cut diamond jewels in the world. A year later, several items were launched within all product categories with a particular focus on the high jewelry, where a new collection of extraordinary pieces in diamonds, originated by the agreement with the Leviev Group, was presented during the Milan fashion week, recording great approval from the audience and the international press. As recognition of his achievements in the past and with the desire to help change the history giving less fortunate people a different future, Bulgari decided to celebrate its 125th anniversary by supporting the international Save the Children's campaign "Rewrite the future" , creating a line of product (B.zero1), whose sales are addressed to help children around the world.

In 2011, Paolo Bulgari, Nicola Bulgari and Francesco Trapani concluded an agreement with LVMH concerning the transfer of its controlling stake in Bulgari in exchange for newly issued shares of LVMH itself. In June, the French conglomerate presented a takeover bid to Bulgari's minority shareholders in order to acquire the entire firm's capital share. The transaction valued approximately 1.33 billion euros and the French luxury giant owned by Bernard Arnault became holder of 98.09% of Bulgari SpA's stocks (Consob, 2011).

Distinctive competencies, grown and improved over the years, are reflected in its knowledge of the luxury market, and allow the company to move within sectors proposing a large and diversified offer. Jewels are definitely the core business of Bulgari, representing the roots of the firm, the starting point of all the subsequent diversification strategies. Today the revenues of this business accounts for 43% of the total turnover (Bulgari, 2010, p. 5). From the earliest times, Bulgari creations have gradually earned the attention of customers through the care and consistency with its fundamental and distinctive values: the pursuit of quality, design and innovation, constantly experimenting with materials, colours and forms. Since the beginning of the 90's, the company launched a wide range of jewelry products, interpreting the historical developments of the market (i.e. the widespread use of diamond in the 50's) turning more and more strongly to wealthy customers. Later, the brand recognized the great hidden opportunities linked to the middle-class segment, characterized by a strong growth and in which the company did not hesitate to penetrate in, trying to slightly reposition itself, building the image of a company not only directed to rich people, but to those who cultivate their own tastes. The "portability" is a topic dear to Gianni Bulgari and his family that leaded to a demystification of the jewel, stating to the New York Post in 1970: "Women do not want more ornaments to wear only on special occasions, but to often wear jewels with different clothes" (L'Espresso, 2009).
Thanks to the ability to import something different in the jewelry market, hiring designers and experts from different sectors (i.e. automotive, furniture), the brand created beautiful and innovative collections, such as *Parentesi* (1982), who gave birth to a new form of jewelry, called "modular" due to the technical realization of modules; *Naturalia* (1991), characterized by different naturalistic motifs, ranging from stylized animals to flowers; and *Chandra* (1993), white porcelain revolutionary collection, gained a remarkable success.
Concerning watches, we have to come back to the twenties for the first brand attempts within the sector. However, the success of Bulgari in watchmaking dates back to the late 40's, when it launched a product that later become one of the most iconic Bulgari items ever: the snake-shaped bracelet-watch *Serpenti*, with coils realised either in "tubogas"[13] or in gold mesh, wrapped around the wrist. Because of its particular nature, the *Serpenti* watch hit the market, accompanying the company from the fifties until now, in the production of different variations and evolutions of the model. However, the real success in watch production arrived only at the end of the seventies, pushing the company to found the Bulgari Time in Switzerland, a company

[13] The first examples of bracelets date back to Roman times. A twine twisted on itself formed a mesh very similar, although technically different, to what today is called the "tubogas". This type of bracelets, mostly open at the ends with a flexibility that allowed to take them at various heights of the arm, named this type of realization, because of the similarity to the animal's movements, mesh snake (Tubogas website).

devoted exclusively to control the production of all Bulgari watches. Thanks to the collaboration with Girard Perregaux, one of the most prestigious companies of Swiss watchmaking, in 1977 the famous *Bvlgari-Bvlgari* was launched, whose success exceeded by far the expectations. Currently, the main competitor in the market is Cartier, which Bulgari is distinguished by the ability to launch innovative products, also on the technological side, unlike other companies that focus their work mainly on the purely aesthetic and appearance of the product.

The company's desire to further extend the resonance of its brand is realized in 1990 with the creation of the Bulgari Parfums in Neuchatel, Switzerland. This strategic move was part of the stated objective of creating a worldwide recognition of the name Bulgari. In fact, the production and wide distribution throughout the world of perfumes has not altered the brand’s philosophy rooted on high quality and exclusivity concepts. The fragrances packaging (i.e. soft cardboard boxes), combined with the strength of brand recall, intrigue and attract a wide range of potential customers. The offer has more than 10 product lines for both genres and accounts for the second biggest source of revenues (24% on the total revenues) (Bulgari, 2010, p. 5).

Bulgari has further diversified its production through Bulgari Accessories, offering a range of accessories designed to expand its product portfolio. Eyewear, gift items (pens, key rings, etc.), leather bags and other accessories in silk, are strongly correlated business, united by the common denominator of exclusivity.

In 2002, Bulgari Hotels & Resorts is formed, a joint venture between Bulgari and Luxury Group, the division of luxury hotels Marriot International and through the opening of the first hotel in Milan, Bulgari further strengthens the brand, conveying the contemporary luxury concept in prestigious locations with an exclusive design. The choice to work in the business of luxury hotels has proved strategic in terms of brand recognition for Bulgari, who has faced this new challenge by combining the value of its brand to the knowledge of the hotel industry brought by partners Marriot International, which manages among others chain Ritz Carlton. The structure of the joint venture provides an equal representation on the board, however, delegating management exclusively to Marriot. The first Bulgari Hotel in Milan was opened in May 2004. The five-star deluxe hotel situated on Via Privata Fratelli Gabba, in the most prestigious area of Milan, gains a cultural and commercial valence thanks to its proximity to Via Montenapoleone, Via della Spiga, the Scala Theatre and the Brera district. Bulgari opened other two hotels and resorts in Bali in 2006, in London Knightsbridge in 2012, and a Michelin-starred Italian-style restaurant in Tokyo.

The jewelry and watches division of LVMH recorded organic growth of 5%, but, according to several analysts, Bulgari ended 2014 in double figures, with an estimated turnover of around 1.6 billion euro (La Repubblica, 2015).

2.3.2 Cartier

Master jeweller Louis-François Cartier founded the Maison in Paris in 1847. His son Alfred and grandsons Louis, Pierre and Jacques, each successively at the head of the firm, pursued their lofty ambitions for the business. In 1899, Cartier opened its premises on rue de la Paix, the prestigious, cosmopolitan hub of Paris, which attracted famous figures from all over the world. The three brothers set out to build an empire based in Paris with its sights, firmly set on abroad. In 1904, Pierre and Louis travelled to Russia, a country that fascinated them and inspired an array of creations. Before long, the Imperial family and Russian aristocracy were enchanted. The English aristocracy flocked to the new Cartier boutique, which opened on New Bond Street in 1909. A few years later, the youngest brother Jacques took the reins of Cartier's British branch.

He cultivated ties with figures that included some of the most remarkable Indian princes. Enchanted by Cartier's expertise and unique style, the maharajas entrusted Cartier with dazzling gemstones to be reset in stunning pieces of jewellery in the modern style. Thus began Cartier's inspiring relationship with India, where the Maison opened an office in 1911. Cartier alone dared to experiment with unprecedented colour combinations. Reds, blues and greens with splashes of sparkling white diamonds paired perfectly with stones carved with floral, fruit or palmette motifs. The style, known as *Tutti Frutti*, would become one of Cartier's most prominent signatures. Pierre Cartier, Louis's younger brother, moved to America to run the New York branch in 1909. A clientele consisting of rich industrialists from the New World and the finance sector was joined by the stars of Broadway and of silent movies and, a few decades later, by Hollywood celebrities. Extraordinary figures who discovered a spirit of excellence that has always driven the Maison. “Cartier, jeweller to Kings, King of Jewelers”, a quotation from the future King Edward VII, attests to Cartier's ties with royal families and aristocracy worldwide from the early 20th century onwards. Cartier was awarded 15 royal patents between 1904 and 1939 becoming official supplier to the most powerful dynasties, which most notably ordered precious tiaras from the jeweler. In 1909, at the behest of Grand Duchess Vladimir, Maria Pavlovna of Russia, Cartier created a tiara adorned with sapphires and diamonds. A "foliate scroll tiara" created in 1910 was acquired by Elisabeth, Queen of the Belgians in 1912,

while that of Queen Victoria-Eugenie of Spain was made in 1920. In 1926, Jagatjit Singh, Maharaja of Kapurthala, entrusted Cartier with the creation of a head ornament consisting of 19 exceptional emeralds, including an incredibly rare stone of 117.40 carats. Cartier has been a privileged witness of royal and princely love stories, such as that of the Duke and Duchess of Windsor or that of the actress Grace Kelly and Prince Rainier III of Monaco, who sealed their union with a Cartier ring adorned with a 10.47-carat emerald-cut diamond. For her wedding to Prince William of Wales in London on 29 April 2011, Catherine Middleton, future Duchess of Cambridge, wore a Cartier tiara. Created in 1936 for the Duchess of York and future Queen Elizabeth, the precious tiara was also worn by Princess Margaret in 1955. This headpiece with scroll motifs creates a halo of light, which has given it the name “Halo Tiara”. These rings, tiaras and sets of jewelry are testament to an extraordinary dialog between the jeweller and these historic personalities.
In 1972, Cartier’s family lost the ownership of the Maison and currently, the firm is a wholly owned leader company of the French conglomerate Richemont.

As the House's signature animal, the panther has always reigned supreme over Cartier designs. The elegant feline was used for the first time on a wristwatch with the setting of the gems re-creating the animal's fur. The panther sprung to life with the arrival of Jeanne Toussaint, who worked closely alongside Louis Cartier and was nicknamed *la panthère*. Jeanne made her mark on Cartier design with her feminine elegance, independence and free-thinking temperament. The motif soon became a key part of many Cartier designs. The bounding creature adorned powder boxes, cigarette cases and vanity cases, to later appear on bracelets, necklaces, brooches and other sumptuous jewelry. In 1948, the Duchess of Windsor acquired a three-dimensional panther featured on a brooch. The panther still stands as an icon of the House of Cartier. Since the end of the 19th century, Cartier has created an extravagant, unique and precious menagerie. It defines and reflects the Maison Cartier’s know-how. For the jeweller, this expression of nature represents both a technical and aesthetic challenge as in these birds caught in full flight. An outstanding area of fauna inspired by all the continents. Wild beasts are borrowed from Africa, sacred animals from Egypt, a host of dragons and chimeras from Asia. In 1968, the jeweller created for the actress María Félix a snake necklace made up of 2.473 diamonds mounted on platinum. A few years later, the actress also acquired a pair of snake earrings and ordered an entirely articulated crocodile necklace, made up of 1.023 fancy yellow diamonds and 1.060 emeralds.

The history of Cartier watchmaking includes a large variety of forms and styles introduced from the 19th century onwards. At that time, the company recorded a large number of jewellery watches, to be worn as brooches, and pocket watches. Pieces embellished with onyx, pearls and figures, echoing the motives of the jewellery collections. Louis Cartier saw that the wristwatch was the future. For this reason in 1904, he created the *Santos* watch for the pioneering aviator Alberto Santos-Dumont. In 1917, the *Tank* watch entered the history of the modern watchmaking. With its refined lines, evoking the design of a military assault vehicle, it created strong sensations. The *Santos* and the *Tank* are two iconic models that evolved into many versions and defined the Cartier watchmaking design codes to this very day. The Maison is also famous for its shaped watches. The beautiful curves given to the *Tonneau* watch, the *Tortue* and much later those of the *Baignoire*. A myriad of cases with unique contours and style that highlight Cartier's pursuit of aesthetic perfection in watchmaking.
Cartier is also present in the perfumes sector from 1982, with the debut of *Must de Cartier*. The aim of the brand is to replicate the *savoire-faire* of jewellery and watchmaking in the fragrance world, using excellent ingredients and producing evocating glass bottles. The same purpose is dedicated to the accessories lines, aimed to set a 360° experience of the luxurious Cartier's lifestyle, the firm has extended its product line through accessories, ranging from leather goods, bags to eyewear.

Cartier was the Luxury Daily's 2012 Luxury Marketer of the Year due to: "Advertising and marketing effort surpasses the other, imbuing the whole Cartier marketing experience with an aura that other luxury brands can only crave" as stated by Mickey Alam Khan, editor in chief of Luxury Daily, New York. According to Forbes, Cartier is the #55 world's most valuable brand, with a brand value of 9.6 billion dollars (Forbes, 2015) and is the first jewelry firm in the Interband ranking with an estimation of more than 2 billion of dollars of annual profit through its nearly 300 stores around the world (Interband, 2014, p. 27).

2.3.3 Van Cleef & Arpels

The history of VC&A started at the end of the nineteen century from the love story between Estelle Arpels and Alfred Van Cleef, both descendants of a family of gemstones merchants. In 1906, the Maison Van Cleef & Arpels born, becoming nowadays one of the most exclusive jewellery around the world. After few years, Estelle's brothers joined the couple in the management of the firm: Charles, Julien and Louis. Over the years, Charles has proven to be valuable in managing the famous firm boutique in 22 Place Vendôme, which at the time was one of the first jewellers placed there. In 1926, after the death of Alferd Van Cleef, the reins of the firm passed to his daughter Renée Puissant, the artistic director, and René Sim Lacaze, talented designer. The ideas of the two are going to forge the unique style of the company, who in the 20's and 30's created some of the most iconic and beautiful creation in the jewelry sector. In fact, in 1925, Van Cleef & Arpels won the Grand Prize during the *Exposition International des Arts Décoratifs* with a red and white roses bracelet and brooch, composed of 463 round brilliants, 293 rubies and 108 emeralds mounted on platinum. Love and nature are dear themes to the brand, creating jewels represeting flowers, loving birds and butterflies, to name a few. From the technical point of view, the most important result of these years is certainly the development of a setting process of precious stone known as Serti Mistèrieux or mystery setting or invisible frame, awarding Van Cleef & Arpels with a patent in 1933. The tecnique is based on setting every stone next to each other so that the metal of the frame remains invisible to the eye, thus creating a kind of mosaic mirror of precious stones.

The jewelry production is supported by the creation of jewelry watches. In 1935, the Maison created a model that marks the combination of aesthetics and functionality, the *Cadenas* watch, a famous piece lock-shaped that apparently seems a fine bracelet, but that encloses a quadrant visible only to the wearer.

In the years preceding the Second World War, the Arpels family settled in New York, where opened a boutique at 744 Fifth Avenue, still existing, and consolidated their fame, thanks to the realization of one of its most iconic jewels, the famous dancer of Van Cleef & Arpels, inspired by the passion of Louis Arpels for the dance world and by the Great Ball in Imperial St. Petersburg, the Ball of the Century in Venice, the Oriental Ball in Paris, the Black and White Ball in New York, and the Proust Ball in Paris.

Some years later, the three sons of Julien Arpels, Claude, Jacques and Pierre becomes part of the family business. The eldest, Claude, directed the New York segment of the Maison, while Jacques and Pierre, remained in France, working on developing the interest in precious stones and public relations.

It is attributed to Pierre Arpels itself the realization, in 1949, of an ultra-thin watch: the *Pierre Arpels*. Initially available only from his inner circle of friends and relatives, the Pierre Arpels timepiece was released to the public in 1971, named PA 49, and since then is part of the Van Cleef & Arpels collection.

Having been always directed by the descendants of the family Arpels, the Maison Van Cleef & Arpels is acquired, in 1999 by the holding luxury company Richemont. Since December 2012, the CEO of Van Cleef & Arpels is Nicolas Bos, former creative director of the Maison. In 2006, it is due to him the introduction of the concept of *Poetic Complications*, expressing the new creations of Van Cleef & Arpels combining technique, poetry and watchmaking tradition.
As stated by Bos concerning the firm's value and inspiration: "The constant is the principles of our maison, which are based on philosophical values: a positive vision of life, which is about finding something marvellous in daily life, always on the lookout for luck and love. These are coupled with myriad sources of inspiration such as nature, couture, and ballet, which breathe life into the pieces and collections." (Luxury Society, 2013).
The company has diversified its business only entering the fragrance market in 1978, with *First of Women* perfume, characterized by a classical floral scent.

According to the estimation of Exane PNB Paribas, Van Cleef & Arpels has 912 million turnover (1.185 billion) and a market share of 4% in the jewels and of 11% in the luxury brand (IlSole24ore Moda24, 2013).

2.4 Social Media Analysis

In the last decade, social networks have become powerful communication tools, and this is true for the luxury industry too: 55% of the higher-sentiment buzz volume concerning luxury is obtained through social medias and 48% of total mentions on luxury brands are tweets (McKinsey, 2014, p. 4). Moreover, McKinsey's insights show that: "Social technologies have been adopted at a faster rate than any other media technology. While it took commercial television 13 years to reach 50 million households and Internet service providers three years to sign their 50 millionth subscriber, it took Facebook just a year to hit 50 million users. It took Twitter nine months." (2012, p. 6).
Being present on social medias provides companies the possibility to arise customers' awareness of their history and values, strengthening the exclusivity of the brand. Talking digital allows to engage the increasing influential segment of Millennials and foster a positive word-of-mouth among them. Fast and updated information can be easily shared to a wide amount of people around the world, sustaining minimal costs, and that information can be shared among people too. Social media advertising is not just a vehicle to endorse their own brands and

products, but could be seen as means of customer education about the brand itself. Individuals on Facebook or Twitter are not just fans or followers, but potential brand advocates (Chu, Kamal, Kim, 2013, p. 160). McKinsey and Syntesio propose to luxury brands to cultivate close and durable relationships with influential people having a large share among luxury consumers, such as bloggers or "online ambassadors". It can provide the double advantage to be promoted on their popular and personal online spaces and to be more engaging for a younger and stylish audience (McKinsey, 2014, p. 29), (Syntesio, 2011, p. 2). In 2007, Chanel invited selected bloggers to spend a day in the Chanel luxurious lifestyle and to know more about its perfume production before the launch of *Coco Mademoiselle* fragrance. Two years ago, Cartier adopted a similar strategy through the Trinity Eyewear event, where the brand calls Italian bloggers to enjoy a day advertising the new homonymous collection. A smart tactic to endorse efficaciously online the most affordable products of their assortments. Social media are principally used to showing off new products or information about the brand rather than being a proper tool for customer service, this strategy could be viewed as a way to protect brand's exclusivity.
Here are analysis of the main social media platforms used by the three companies in question: Twitter, YouTube, Instagram and Facebook.

2.4.1 Twitter

Twitter is a microblogging[14] platform founded in 2006 with the aim to enable users to send and read 140-character messages called "tweets". Currently the platform has 316 million active users per month; 500 million tweets sent every day and supports more than 35 different languages (Twitter website). Luxury customers are increasingly researching products on the Internet and, according to McKinsey researches, Twitter is the preferred source of online search for 13% of respondents (2014, p. 28).

The three companies joined Twitter in 2009 and Cartier posted its first element only 4 years later. For this reason, the Cartier's tweets are approximately 20% of Bulgari and Van Cleef & Arpels's ones. Bulgari seems to be the most popular firm among the three within the platform, with its over 465K followers and 1.11 average tweets per day. It interacts with users through high frequency mentions and replies. Since 2013, Bulgari's majority of tweets are text linked

[14] "Microblogging is a broadcast medium that exists in the form of blogging. A microblog differs from a traditional blog in that its content is typically smaller in both actual and aggregated file size. Microblogs "allow users to exchange small elements of content such as short sentences, individual images, or video links", which may be the major reason for their popularity. These small messages are sometimes called microposts" (Wikipedia, 2015)

to its Instagram images account rather than directly posted on this platform too, making its posts less effective than others, showing the lowest applause rate[15]. However, despite the few number of tweets due to its later entrance, Cartier presents the best results associated to many parameters taken into consideration. It means that probably the jewelry firm have actuated a strong strategy in order to be present as much as its competitors in this digital environment. Information posted in Twitter by Cartier seems to represent the most valuable source of information because of the high number of link, mainly connected to the official website (rarely to its YouTube account); and the high number of hashtags used per tweet that makes a content easily to find, as confirmed by the highest monthly amplification rate[16] it has. Moreover, Cartier's contents seems to be the most appreciated among its competitors, calculating the number of replies and favorites above its posts, which provide him the highest conversation[17] and applause rate[18]. The only negative point is that it lacks in connection with followers. Van Cleef & Arpels occupies the last position according to most of the data, except for the average retweets parameter, which is the highest among the three. The brand provides lots of information directly retweeting its followers' posts, obtaining the highest interaction rate[19]. In general, the brands have frequent interactions with celebrities and brand ambassadors, museums where the brand's products were exhibited, online magazines and bloggers, while the rest are direct interfaces with followers. The platform is used not only to promote their new product, but also to communicate to customer and/or prosumers, their values and what they really are, as Bulgari, whose the most frequent interaction in Twitter is with Save the Children's account. Moving from the analytic side to a more emotional and sentiment one, demand images, pictures where the product is directed to the viewer's gaze[20], represent for the three brands the most engaging post content. Concerning demographics, the analysis confirms that Millennials are the most influent Twitter users for the three brands, particularly for Van Cleef & Arpels, representing the 80% of total followers, probably due to the great attention it pays talking with them. The social media analytics Klear classify social accounts into four levels of influence: Celebrities, Power Users, Casual, and Novice. Both Celebrities and Power User are highly influential accounts, while Power Users are usually more within reach. This calculation is based on their activity, amplification, network and reach within the platform. The big prominence of followers are Casuals, attracted mainly by Bulgari,

[15] Favorites/posts
[16] Retweets/posts
[17] Replies/posts
[18] Likes/posts
[19] (Replies + retweets + favorites)/followers
[20] Cesare Amatulli, class notes, Luiss, 2014

followed by Power Users, more connected to Van Cleef & Arpels account, Novice and Celebrities.

Table 2 - Twitter analytics[21]

	CARTIER	BULGARI	VAN CLEEF & ARPELS
Joined on	27/07/2009	27/07/2009	23/09/2009
First post	14/11/2013	09/11/2009	23/09/2009
Tweets	466	2.312	1.857
Following	4	420	125
Followers	263.338	465.393	50.045
Listed*	1.305	1.887	625
Followers Ratio*	65.835	1.108	400
Favorites	8	166	-
Avg. Tweets per day	0,76	1,11	0,87
User Mentions	186	1.285	395
Avg. Mentions	0,40	0,56	0,21
Links	271	640	931
Avg. Links	0,58	0,28	0,50
Tweets Retweeted	376	1.536	1.148
% tweets retweeted	80,7%	66,4%	61,8%
Replies	140	242	39
% tweets replied	30%	10%	2%
Hashtags	483	2.099	1.398
Avg. Hashtags	1,04	0,91	0,75
Retweets	7	303	588
Avg. Retweets	2%	13%	32%
Age			
12-17	10%	13%	5%
18-24	42%	49%	53%
25-34	31%	27%	27%
35-49	11%	10%	10%
50-64	2%	-	3%
No specified	4%	1%	2%
Influence			
Celebrities	3%	2%	3%
Power Users	20%	18%	22%
Casual	60%	66%	60%
Novice	17%	13%	15%

[21] Designed after the collection of Twitter analytics

2.4.2 YouTube

Social videos are perfect means for brands visual storytelling and their use is increasing in the last years. Luxury managers are starting to recognize their value in terms of pushing products and collection too[22]. Fashion, Jewelry and Watches are also starting to see videos becoming part of the mix and luxury digital video spending broadly raised: the jewerly sector only accounts +1007% in online video spending from 2013 to 2014 (Havas Media, 2015, pp. 3,7,15). Almost all luxury brands have global YouTube channels where they can publish pre-roll or explanatory videos for the approximately 1 billion users.

Cartier occupies the best position in YouTube platform too, with its over 68K subscribers and approximately 87 million views. According to SocialBlade statistics, Cartier has estimated yearly earnings ranging from €10,2K to €162,9K, due to its presence within the platform, despite the low number of its uploads as well as video posting frequency. The reason of its predominance over competitors is evident by watching Cartier's videos. In 2012, the firm has abundantly passed through the barrier of 15 million views thanks to the 3:30 minutes short film *L'Odyssée de Cartier*, realized for the 165th anniversary of the brand. The production had a budget of about $5 million for funding this ambitious project that has been developed over a period of two years: only post-production took six months of work, involving more than 50 technicians (Telegraph, 2012). With its $1.4 million per minute, *L'Odyssée de Cartier* is one of the most expensive short worldwide. It is a perfect example of successful online luxury communication; through this virtual panther travel from India to Saint-Petersburg, Cartier was able to convey the history and heritage of the brand, celebrating it and enabling viewers to perceive its majesty, exclusivity and royalty through a mass medium. *Shape your time*, 90 seconds video posted in 2014, surpassed *L'Odyssée* reaching a little less than 25 million views. The event-film is set on the space, showing the precision and care of details that Cartier has in producing watches, recalling historical pieces of the *maison*. Common themes in Cartier's videos are the presence of iconic and representative codes (the panther, Paris, red jewerly box) and the ability to convey strong emotions, both through images and music, forgetting you are sitting on your sofa looking at the computer display. They guide viewers across imaginary travels into the brand's world, a digital communication experience that makes Cartier popular on web while keeping its aura of inaccessibility.

[22] Cesare Amatulli, class notes, Luiss, 2014

Bulgari is the brand that over the three has uploaded more since its entrance in 2010. Ninety-six videos of 1:21 average minutes characterized by nearly the highest monthly video frequency and the lowest duration among its competitors. In 2013, with the fragrance *Omnia Crystalline* video, Bulgari obtained more than 10 million views, but unlike the clear Cartier viewers' appreciation[23] (>90% for both videos mentioned before), just 50% of who leaved a "thumb" enjoyed it. Based on the total amount of data, it presents the highest dislike rate[24] and the lowest like rate[25] among the three. The brand shows strong connection with its roots in many videos, promoting products in a Roman landscape, nonetheless the most appreciated are fragrances videos in natural environment. More than other brands, Bulgari often uses models and brand ambassadors to endorse products.

Van Cleef & Arpels is the least popular brand on YouTube, accounting just for 7K subscribers. It has the second highest posting frequency, at least one video per month. Despite its low popularity, the brand seems to be the most engaging among the three, with a level of appreciation of 99%. Probably this is the reason why its number of subscribers grow with a positive trend of 3,3% monthly on average. Its best video in terms of likes and views, respectively nearly 7K and above 70K, is that of the *Midnight Planétarium* watch, a particular product representing the orbit of six planets around the sun. This is an item strictly linked to its inspiration from the historic tradition of planetariums and nature in general. Van Cleef & Arpels videos are more related to jewels than Cartier, more focused on watches and fragrances, showing the Richemont strategy to support and increase the awareness of this brand, reinforcing Van Cleef & Arpels in jewelry and pushing Cartier for watches. Among the least liked videos, Bulgari presents repeated videos of the fragrance *Omnia Crystalline* and the low impacting teaser of the film *Duels* for the launch of the fragrance *Men Extreme*, filmed in 2013 by the well-known Italian filmmaker Matteo Garrone and played by the Hollywoodian actor Eric Bana. The spot had great potentialities to become viral; nonetheless, it was not presented on Bulgari's official YouTube account neither in the brand web site and the teaser itself obtained zero likes and one dislike. In 2014, the Academy Award winner Paolo Sorrentino directed *The Dream*, an evocating short of nearly nine minutes for the opening of the DOMVS exhibition gallery located on the first floor of the historic store in Via Condotti 10. Views were just 0,4% of that of *Omnia Crystalline* video, although it was appreciated by viewers.

[23] My estimation - Relative Like Rate: Single Video Likes/(Single Video Likes + Single Video Dislikes)
[24] My estimation - Tot Dislikes/(Tot Likes + Tot Dislikes)
[25] My estimation - Tot Like/(Tot Likes + Tot Dislikes

Cryptic videos about the *Rêver2074* initiatives for Comité Colbert's 60th anniversary, an association of 75 luxury French brands, appear to be the least Van Cleef & Arpels's appreciated ones, with no ratings and replies, while Cartier's failing videos are explanatory of watch movements.

Table 3 - YouTube analytics[26]

	CARTIER	BULGARI	VAN CLEEF & ARPELS
Joined on	16/03/2006	28/02/2006	24/09/2007
Total views	87.075.990	40.399.366	2.411.031
Subscribers	68.833	21.148	7.275
Uploads	56	96	80
First upload	25/05/2010	16/05/2010	17/06/2010
Last upload	03/11/2011	20/04/2015	03/11/2014
Additional Channels	0	0	2
Estimated yearly earnings[27]	€10,2 K - €162,9 K	€465 - €7,4 K	€152 - €2,4k
Months of activity	61	60	61
Monthly Video Frequency	0,9	1,6	1,3
Avg. Video duration	02:02	01:21	02:07
Engagement Rate	0,06%	0,008%	0,44%
Avg. Daily New Subscribers	31	6	8
Avg. Monthly Sub. Growth Rate	1,4%	0,9%	3,3%
Sentiment			
Likes	54.604	4.943	9.837
Dislikes	4.495	2.177	92
People rating	0,068%	0,018%	0,412%
Like rate	92,39%	69,42%	99,07%
Dislike rate	7,61%	30,58%	0,93%

2.4.3 Instagram

Instagram is a platform founded in 2010 born with the mission to allow users to share instantly pictures, making them professional-looking snapshots. Although it is the "youngest" media among the four under study, in December 2014 it accounted for 300 million users, an incredible result compared to the 1 million of just three years before. The platform has an average of 70 million photos per day and from June 2013, it introduced videos (Instagram website), giving

[26] Designed after the collection of YouTube analytics
[27] SocialBlade estimation

the possibility to companies to drive their visual campaigns in this platform too, rather than rely exclusively on website or YouTube accounts. Unfortunately, few information and data can be collected and analysed, since it is a quite recent platform.

As in the previous platforms, Bulgari and Cartier stay on the top ranking in Instagram. Bulgari seems the most active user among the three, sharing the highest number of followers with Cartier (both around 1.6 million). With an average of 0,9 posts per day, Bulgari obtained the highest number of likes that probably drives its nearly 5K followers per day growth. As in Twitter, Cartier is the least active with half of Bulgari's posts, nonetheless it receives more comments than competitors do and it is hot on the Bulgari's heels in terms of number of likes, in fact, it presents the highest average likes per post. Cartier's similar trend between the two platforms becomes even clearer when looking at the content side: the brand shares the same videos and images in both Twitter and Instagram accounts simultaneously. While Cartier and Van Cleef & Arpels are more focused on posting demand images of products, Bulgari pays lots of attention also to brand ambassadors, wearing its jewels and participating at charity (i.e. Save the Children collaboration) or worldly events and, as said previously, many Bulgari's tweets are directly redirect to Instagram pictures. Although Van Cleef & Arpels entered on Instagram earlier, it is still not as popular as its competitors are and it uses the same Cartier's strategy in both Twitter and Instagram.

Table 4 - Instagram analytics[28]

	CARTIER	BULGARI	VAN CLEEF & ARPELS
Post	377	781	688
Followers	1.591.736	1.589.182	334.669
Following	3	144	22
Followers ratio	530.579	11.036	15.212
First Post	14/11/2013	13/02/2013	06/10/2012
Last Post	21/07/2015	22/07/2015	21/07/2015
Likes	4.231.959	5.236.890	233.586
Comments	101.151	54.699	3.459
Avg. Daily Posts Frequency	0,6	0,9	0,7
Videos	25	14	30
Images	352	767	658

[28] Designed after the collection of Instagram analytics

Avg. Daily New Followers[29]	3.724	4.982	774
Avg. Monthly Sub. Growth Rate	7%	9%	7%
Avg. Likes per Followers	2,66	3,30	0,70
Avg. Likes per Posts	11.225	6.705	340

2.4.4 Facebook

Facebook is definitely the most popular social network platform with its over 1.3 billion of users, whom 64% enter on Facebook every day (Facebook website). It can contain all type of contents and among the social media platforms, is the preferred sources of online research for luxury customers (McKinsey, 2014, p. 28).

There is a head-to-head confrontation concerning Facebook between Bulgari and Cartier, which both have approximately 3.5 million of fans and an average post per day of 0.7 posts. Bulgari seems prevailing in the platform in terms of average weekly growth of number of fans and overall page's strength, much higher that competitors' ones (24%). The Italian jeweller's main posts are pictures; nonetheless, it does not publish identical contents as in Instagram. It posts around 1/5 Instagram pictures in Facebook, where it strongly refers and connects to bloggers or online magazines. Although Van Cleef & Arpels, as in the other social media, is the less popular with just around 420K fans, it appears the most engaging and interacting[30] firm among the three. Both Richemont's firms post quite the same contents as in Facebook and Instagram. Interesting data are that concerning the fans' retention rate, in other words, how often fans interact with the page. Bulgari, immediately followed by Van Cleef & Arpels (81%), presents the highest percentage (82,3%) of fans interacting once with its account, while just Cartier go beyond ten times interactions. Through platforms such as Facebook, companies could have the advantage of both save money dedicated to A&P investments, and reach a wider range of people worldwide, allowing bilateral relations. The social media analytics and monitoring agency Fanpage Karma, calculated how much would have been the cost to reach as many people with paid ads in other marketing channels as Facebook fan pages did reach with their posts: the "Advertisement value" of the post. Coherently with their popularity, Bulgari and Cartier show

[29] SocialBlade estimation
[30] In terms of how strong fan react to post.

the greatest cost per posts, arriving at around €14,5K every week on average, while Van Cleef & Arpels approximately €3K.

Table 5 - Facebook analytics[31]

	CARTIER	BULGARI	VAN CLEEF & ARPELS
Number of fans	3.452.008	3.527.915	421.239
Post per day	0,75	0,7	0,5
Engagement	0,09%	0,08%	0,1%
Post Interaction	0,1%	0,1%	0,3%
Average Weekly Growth	0,08%	3,0%	0,1%
PPI	4%	24%	6%
Retention			
1x	58,9%	82,3%	81,0%
2x	18,1%	12,5%	10,3%
>10x	0,3%	-	-
Weekly average ad value	€ 14.450	€ 14.644	€ 2.927
Total	€ 755.529	€ 765.660	€ 153.037

2.4.5 Social media sentiment analysis

Data collected through the social media search engine Social Mention are quite consistent with the information collected through social media analysis. In fact, Van Cleef & Arpels seems to be the most discussed brand in social media, having the highest reach[32] and lowest average seconds per mention, definitely overcoming its competitors, while Cartier appears the most appreciated firm among the three with a ratio of 29 positive mentioned over one negative. Bulgari’s passion is the highest, showing that individuals repeatedly talk about the brand; it is consistent with the fact that the Italian firm is one of the most popular in each platform.

[31] Designed after the collection of Facebook analytics
[32] A measure of the range of influence = # of unique authors referencing the brand / total # of mentions

Table 6 - Sentiment analytics[33]

	CARTIER	BULGARI	VAN CLEEF & ARPELS
Word searched	Cartier	Bvlgari	Van Cleef Arpels
Strength	*23%*	*34%*	*84%*
Sentiment	29:1	15:1	15:1
Passion	*56%*	*67%*	*34%*
Reach	11%	12%	55%
Avg. Seconds per mention	*20*	*18,00*	*9,00*

2.5 Website analysis

Concerning SEO[34] analytics, Bulgari presents the highest score among the three companies. It seems to have the fastest website with a short load time[35]. In fact, the page size of the Italian jeweller is much smaller than the Richemont firms have: Cartier has the slowest website and Van Cleef & Arpels the "heaviest" one. Regarding the social media impact, coherently to what has been found previously, Bulgari's website contents are principally shared on Facebook while Van Cleef & Arpels results the most connected on Twitter.

Similarly, Exane's outcomes show Bulgari stands out for ease of use, navigation and flexibility to different displays (ContactLab, Exane, 2014, p. 44), having as well as Van Cleef & Arpels, mobile-adapted content, while Cartier only responsive visualization[36]. In terms of product presentation, each brand offers the full assortment of products within the website, ranging from jewelry to fragrances. Cartier's product pictures are presented from different angles, always accompanied by a detailed description, showing model measures in terms of dimensions and sizes. Zoom on details, videos and images with worn products are present, aiding customers in making their choices. It seems to be the best website concerning presentation among the three, followed by Bulgari, which presents picture's different perspectives limited to accessories and no zoom functions. Van Cleef & Arpels looks the most "bumbling" website, plenty of dispersive pages. From the aspect of product selection, the three firms designed section of their websites in a similar way, providing users the possibility to "save" favorites products in a wishlist, giving suggestions and presenting products they might also like. Except for Bulgari's website, the home pages present a direct dedicated area to engagement jewels, aimed to deliver

[33] Designed after the collection of sentiment analytics
[34] Search Engine Optimization
[35] how long it took the page to load
[36] Implementing the same outlook to data visualization for different screen sizes

a faster selection facility. Email assistance underpins basic customer services activities for all the three brands, while just Van Cleeg & Arpels offers a personal phone support and Cartier the chance to book an appointment in *boutique*. The jewerly companies do not use online chats, probably since they are judged excessively informal communication vehicles. Moreover, it is interesting to notice that Cartier is the only naming its customer assistants: “contact an ambassador” surely sounds better than “contact us” for customers and, in addition to the silk-gloved hands sales assistant’s picture present in the contact section, it gives the perception of an exclusive help. What could really drive exclusivity is the way in which users can be aware about prices; Cartier seems to care about this aspect more than its competitors do, by showing them just at the costumer’s request. Bulgari shows prices of entry products such as eyewear or fragrances, while Van Cleef & Arpels exhibits prices giving users the possibility to hide them using a specific button. Paying attention to little details can often change the way in which a brand is perceived: each brand presents an area dedicated to customers, where they can register and manage their order or take advantage of exclusive features. We have seen how it is important to build strong and long-term relationships with online customers, thus, it is vital to give them the perception to be part of their luxurious world: while Bulgari stays formal considering customers as customers, Cartier and Van Cleef & Arpels seems to care more about relational personalization using the word “my” to describe users’ private account. Additionally, Cartier gives the impression to provide customers an exclusive and intimate “my piece of Cartier” by registering in the website.

Table 7 - Websites analytics[37]

	cartier.com	bulgari.com	vancleefarpels.com
Load time (seconds)	10,8	1,25	2,08
Page size (Mb)	3,4	1,4	3,8
Overall Score	63	64	54
Est. Traffic Score	58	58	53
SEO Score	82	84	59
Speed Score	81	84	72
Social Share Score	31	32	32
Visualization			
Mobile-adapted website	NO	YES	YES
Presentation			
Videos with worn product	YES	YES	NO
Images with worn product	YES	YES	YES
Pictures from different angles	YES	YES (selected items)	NO
Zoom on details	YES	NO	YES (mouseover)
Model measure	YES	YES	YES
Selection			
Wishlist	YES	YES	YES
Similar products[38]	YES	YES	YES
Suggestions[39]	YES	YES	YES
Shop by occasion	YES (bridal)	NO	YES (bridal)
Customer service			
Online chat	NO	NO	NO
Phone assistance	NO	NO	YES
Email assistance	YES	YES	YES
Appointments in shop	YES	NO	NO
Assistant name	Ambassador	NO	NO
Exclusivity drivers			
Price awareness	By request only	Via website (selected items)	Via website (hide button)
Personal account name	My Cartier	Customer login	My account

[37] Designed after the collection of websites analytics
[38] Same product category
[39] Different product category

Chapter 3. Outcomes Interpretation

Thanks to the data and information collected through the analysis of the three brands' online presence and the literature review, helped by the qualitative data analysis computer software NVivo, I could delineate the most recurring concepts, grouping them into 1st-order categories. The next step was to give them a common meaning, designing 2nd-order themes, using as coding paradigm the Lee, Thomas and Baskerville theory about IS artifact (2014). Structuring 1st-order and 2nd-order themes into aggregate dimensions, I could configuring the data structure showed in Figure 9.

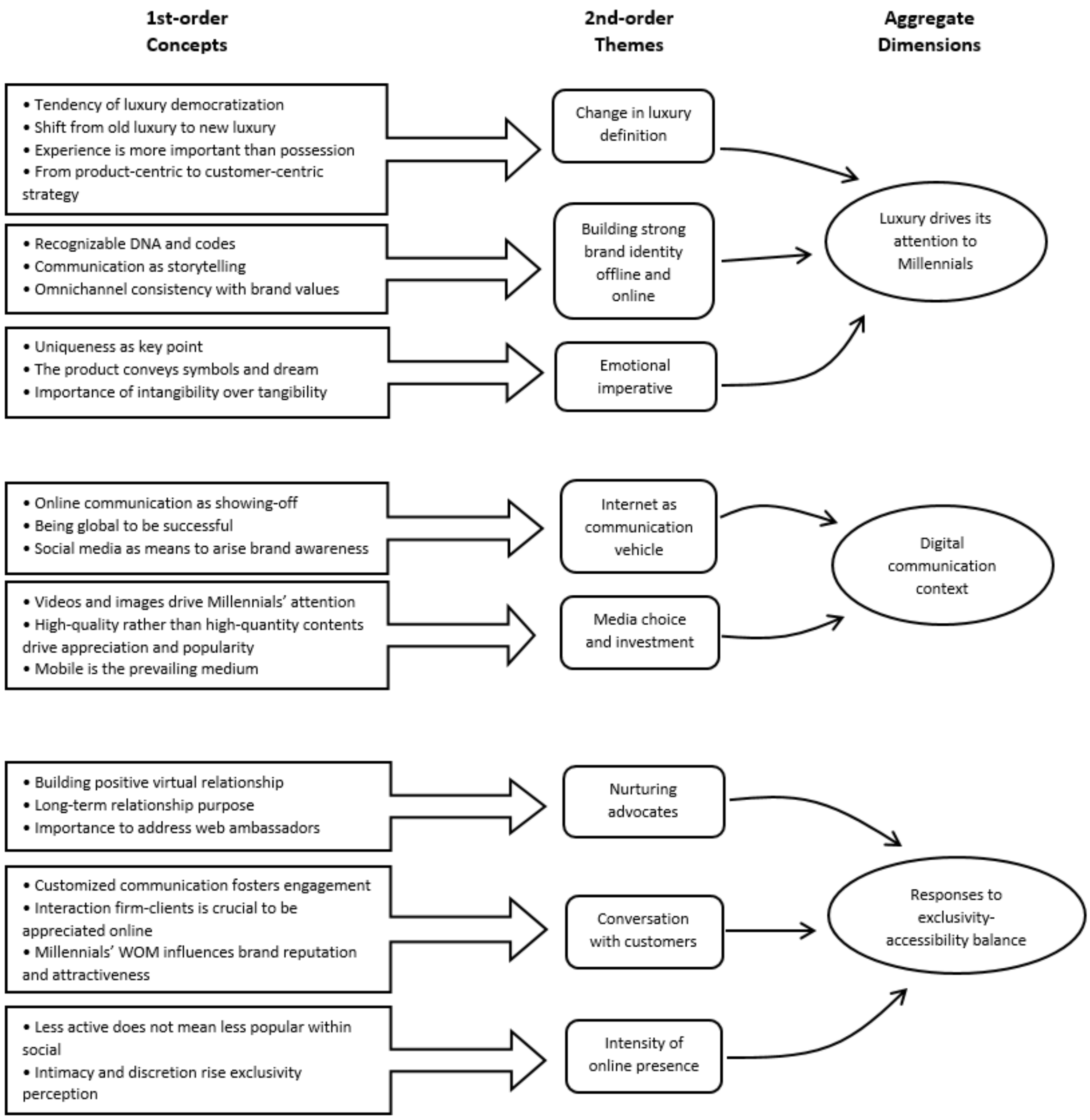

Figure 9 - Data structure

Luxury is witnessing a change in its priorities and structure. The democratization leads to move from old to new luxury conception, where the customer is the pivotal element of the brand strategy and new and younger clients pay much more attention and significance to experiencing luxury rather than owning it. Intangibility is one of the most important aspect of luxury products that deliver meanings, messages and symbols, where uniqueness is the first though when designers bring forth luxury items, requiring greater efforts to convey emotions to customers. In this context, luxury brands need to build not only a solid offline brand identity but also a strong online one in order to be consistent with its own values, codes and DNA, which have to be recognizable in every channel the company exploits, communicating a story rather than exposing customers to passive advertising. This background shows as luxury brands are gradually adapting themselves to address the expanding younger and more influential segment of Millennials.

Talking digital is a priority even for luxury companies that could take advantage of the Internet as communication vehicle, using social media and websites to show their own products, values and stories, raising the level of brand awareness and becoming global in order to not disappear. According to the outcomes of the social media analysis, it seems clear that high-quality videos and images are the most attractive contents for Millennials, which using their mobile phones, can easily appreciate and share brands' contents, arising their popularity on the web. For this reason that companies should carefully chose the media they should be present and take into account that the more the content is accurate, engaging and attractive, the more it will cost. Those variables portrait the digital context in which luxury brands need not only to survive but also to excel.

Balancing exclusivity and accessibility for luxury companies in the digital environment is a challenging question. In order to target Millennials and keep an aura of exclusivity online, it is necessary to not think of them as ordinary fans or followers, but build strong and long-term relationships and address web influencers in order to nurture an "elitist circle" of advocates, distancing them and the brand from the mass. In order to do that, companies should converse with their clients through an effective customized communication and online and offline interactions, because Millennials have the great power to influence brand reputation and attractiveness sharing and spreading among each other good as well as bad personal impressions about the brand. Nonetheless, luxury companies should decide carefully the intensity of their presence online, because, as resulted from the analysis, contrary to what one might think, being less active does not mean less popular within social media and intimacy and discretion rise exclusivity perception

3.1 The theoretical model

The data structure is a “static picture of a dynamic phenomenon” (Gioia, Corley, Hamilton, 2012, p. 22), thus the Grounded Theory helped me to show the dynamic relationships among the emergent concepts. Figure 10 shows how the above-mentioned themes found in the data structure can be connected in order to narrow the complex phenomenon under study and delineate a theoretical solution to the necessity of finding a right balance between exclusivity and accessibility in targeting Millennials in the luxury field.

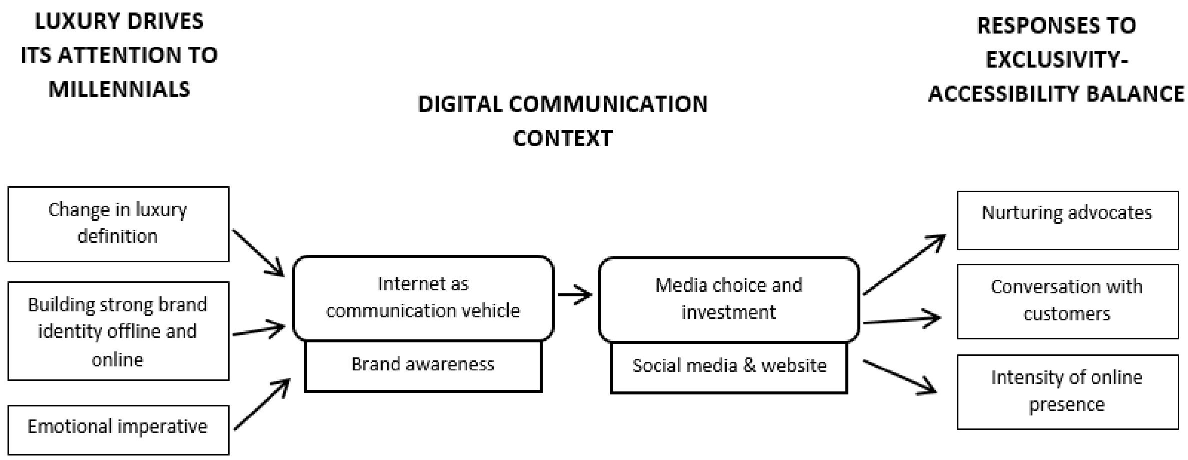

Figure 10 - The theoretical model

Luxury is evolving, new technologies affects the consumers’ life and consumption giving rise to the development of the Millennials’ cluster, imposing on the market to deliver company identity and the emotional imperative embedded in its products through both multisensory offline tactics and virtual online ones. Attracting and engaging digital natives is possible only by using the Internet as a communication vehicle that help businesses to educate them and increase their awareness of the brand, making clear the importance to invest in social media and website presence. It is through a strategic online platforms presence that brands can find a solution to the exclusivity-accessibility dichotomy while targeting Millennials. They are perfect tools to converse with them, trying to convert online fans into 360° advocates by leveraging in the proper way the intensity of their reality and level of interaction within the web.

From this theoretical model is possible to derive indications and practical principles to implement and delineate digital communication strategies in luxury.

3.2 The practical model

The practical model that I have designed is the direct outcome of the theoretical one, describing the insights I have deducted from the whole process of analysis. The first column of Table 8 shows the good practices that, in my humble opinion, brands should follow in order to have a better balance between exclusivity and accessibility in the digital environment. The second column describes the direct reference to the theoretical model elements from which the propositions have been deduced and the third one defines which of the three cases (Bulgari, Cartier and Van Cleef & Arpels) already follow the suggested practice.

Table 8 - The practical model

Proposition	Theoretical model reference	Cases reference
Posting the same contents simultaneously in each social platforms (where possible)	Media choice and investment	Cartier, VC&A
Being consistent with brand values proposing the same image in each platform	Internet as communication vehicle	Bulgari, Cartier, VC&A
Adapting the online presence to different devices	Media choice and investment	Bulgari, VC&A
Building customized and intimate spaces within the web	Nurturing advocates	Cartier
Investing conspicuously in digital for high-quality contents	Media choice and investment	Cartier
Relying less on virtual interactions	Intensity of online presence	Cartier
Relying more on physical interactions, using the Internet to foster direct interpersonal contact with the brand	Conversation with customers	Cartier

Brands should take many important decisions related to how they want to be present on media and how they want to invest in it. Posting the same contents simultaneously in each social platforms is a good practice because luxury brands are referring to online omnipresent and constantly connected customers, who pretend to have fast and updated information sharable in each platform they have an account, and because brands should assure that the message they want to convey is clear and coherent in every channel. Because Millennials are hyper-technological and multi-devices clients, it is crucial for brands to adapt the content visualization to mobile as well as tablets or computers and investing a large amount of money in digital communication in order to attract and engage them, who are difficult to astonish, being impacted every day by extraordinary “special effect” contents. The Internet is a powerful tool to make aware customers of firms’ values and codes, which divulgation has to be coherent in each platform they use in order to tie them to a clear and prestigious image of the brand. Once luxury companies assure that their contents are delivering the right message and are easily accessible to many consumers and prosumers, they can actuate strategies aimed to grab a smaller number of individuals from the mass of "viewers", in order to nurture them as advocates and keep their aura of exclusivity online. Brands still need to give the impression that not everyone can afford their products, even online the exclusion is part of the game. A good practice for this purpose is to rely less on direct virtual interactions with clients, creating personal customized places where they can be privately connected with the company. These "private rooms" represent just a vehicle to increase physical interactions, providing online customers the possibility to have a further more direct and interpersonal contact with dedicated staff or through appointments in the store.

Among the three cases, Cartier respects almost all these propositions, being the brand that better balance the inclusivity of the Internet and the inaccessibility of its products while addressing digital natives. The lesson learned is that the digital communication should be used to convey values, arising the brand awareness and positive reputation, and nurture the dream. This outcome could represent a suggested vision for all those deal with online communication in the luxury sector.

Conclusions

The underlying idea of this thesis was to study how the inclusive Internet and digital innovation tools, continually projected to future, could be applied to an exclusive industry characterized by deep-rooted ties with tradition and history, radically transforming consumers' attitudes and the way luxury companies structure and expand their communication strategies to a broader audience.

Since the introductive section, it was clear how wide and considerable this phenomenon is, partially disclosing the dichotomies behind the problematic nature of their relationship. The literature review, actuated in the first chapter, have depicted numerous divergences between luxury and the Internet in terms of experience, level of control, culture and time, nonetheless the exclusivity-accessibility issue appeared prominent within the luxury digital communication background. In this context, the figure of Millennials occupies a focal position as bridging connection between these two apparently antithetic worlds. The analysis and comparison among the high-end jewelry companies on their use of the Internet and social networks, implemented in the second part of the thesis, leaded to the design of an interesting portrait on how each firm, differently or similarly, actuates communication tactics in the digital environment.

After performing an initial data coding, organizing the outcomes derived from the analysis in reports and tables, it was conducted and additional consultation with the literature in order to refine the articulation of principles, driven the process of building contributions to the topic. The first contribution of my work is the transit from the initial rich and complex framework to an orderly theoretical model, firstly assembling 1^{st}-order and 2^{nd}-order themes into aggregate dimension through a data structure, and then translating them into a precise scheme where the most significant concepts, related to the question under study, and their dynamic connections were highlighted. The evolution of the luxury industry in terms of democratization and experience-driven tactics leaded to an alignment with the Millennials' features, stimulating companies to consistently convey their identities through integrated offline/online strategies, focusing their attention on the emotional aspect embedded in every luxury product, crucial for this self-expression-seeking segment. Driving their attention to Millennials, luxury firms do have to talk "digital", exploiting the Internet as communication vehicle for increasing their knowledge about the brand that consequently implies to carefully choose the media presence and the dedicated level of investments. In order to better balance exclusivity and accessibility in targeting Millennials using social networks and official webpages, luxury firms should converse with and nurture them as advocates through, among things, the connection with selected web ambassadors or influencers.

The second contribution is derived from the above-mentioned theoretical model that inspired the setting of a range of propositions and practical principles directly addressing the issue behind the exclusivity-accessibility dichotomy. Related to the media choice and investment efforts and the exploitation of the Internet as communication vehicle, the propositions are to posting the same contents simultaneously in each social platforms in order to assure the consistency of the message that, in addition to the company values, should propose to customers the same brand image in each platform. Investing conspicuously in digital in order to create high-quality contents drives the attention and attraction of Millennials, which should be nurtured as advocates providing them a private space that fosters the foundation of an intimate and personal long-term relationship. That relationship should be cultivated less on the virtual space and more through physical interactions, using the Internet to encourage direct interpersonal contact with the brand.

The practical model I have designed suggested how luxury firms should focus their online communication attempts to attracting and making aware Millennials, carefully balancing their online presence, in order to convey values, preserve their aura of inaccessibility and nurture the "dream".

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