

Understanding Digital Marketing Strategies: Analyzing Its Impact on Building Brand to Luxury Apparel

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Abstract: The first and most important stage of business marketing is to build a brand. In the current digital world, Digital Marketing (DM) is the most significant function in the business that aids in developing a brand with effective customer engagement. In developed countries, numerous prevailing studies have shown the adoption of various marketing strategies. The opportunities of luxury brands associated with the strategic use of DM have received little attention and remain largely unexplored, despite an increase in the DM strategy. Hence, the present work focuses on the impact of DM strategies in brand building related to luxury apparel in the National Capital Region (NCR). By utilizing a convenient sampling technique, the sample has been collected from 351 consumers. The outcome exhibited that DM strategies had a strong impact on building a brand; therefore, it affects the process of enterprises' brand position and promotion. Also, it exposed that the social and Individual Dimension (ID) of digital strategies has a significant relationship with the Consumer Behavior (CB) of luxury brands in NCR.

Keywords: Digital Marketing, Luxury brands, Brand building, Customer behavior, Purchase intention.

1. INTRODUCTION

Brands have been considered as intangible assets in all firms or organizations; thus, for all businesses, the image of the brand has become a key role. For creating a strong customer memory, the building of a brand name is important, which provides clarity to the information. Hence, the process of creating value for the customer is named brand building. In the current marketplace, luxury brands play a significant role unquestionably; also, the growth of technology has been continuously changing with these brands [1, 2]. The significant demand for luxury goods in Asian nations has enhanced the global luxury goods industry, whose size has been estimated to be about \$2 trillion. In India, the luxury market growth is rapidly developing with a key factor of increasing purchasing power [3, 4]. Luxury has been influenced by the digital revolution in numerous ways. With a Digital Transformation (DT), the Omni channel is increased with the experience of shoppers, thus embracing the performance of the brand. Hence, imagery content and DM strategies have been created to engage the customer with social media. This can influence the behavior of shoppers of luxury products [5, 6].

For building a brand name for their market, the DM strategy aids the manufacturer to build a brand and to differentiate their brand from the competitor's brand [7]. Conventional marketing has been replaced by DM, which has been broadly adopted by firms for promoting their brands to reach wider consumers. The tools in DM do not require the facility of the internet; thus, extend beyond social media marketing. In DM, the most common channels utilized by the brands are given further [8, 9],

- Search Engine Optimization (SEO)
- Email marketing
- Website marketing
- Social media marketing
- Mobile Marketing

But, some brands resist online sales since some firms consider it a path that is not very adapted to the criteria of what the luxury brand experience implies. Hence, the DM strategies become significant; also, these strategies support the brand of knowledge, interaction with consumers, and purchase motivations [10]. Therefore, this work is presented for analyzing the impact of DM strategies on brand building related to luxury apparel brands in India. This study mainly aims in identifying the influencing factors of consumer perception of the luxury brand. Moreover, it explored the relationship betwixt consumer behavioral intentions with DM toward the luxury brand. Figure 1 elucidates the diagrammatic representation of DM strategies to boost brand building.

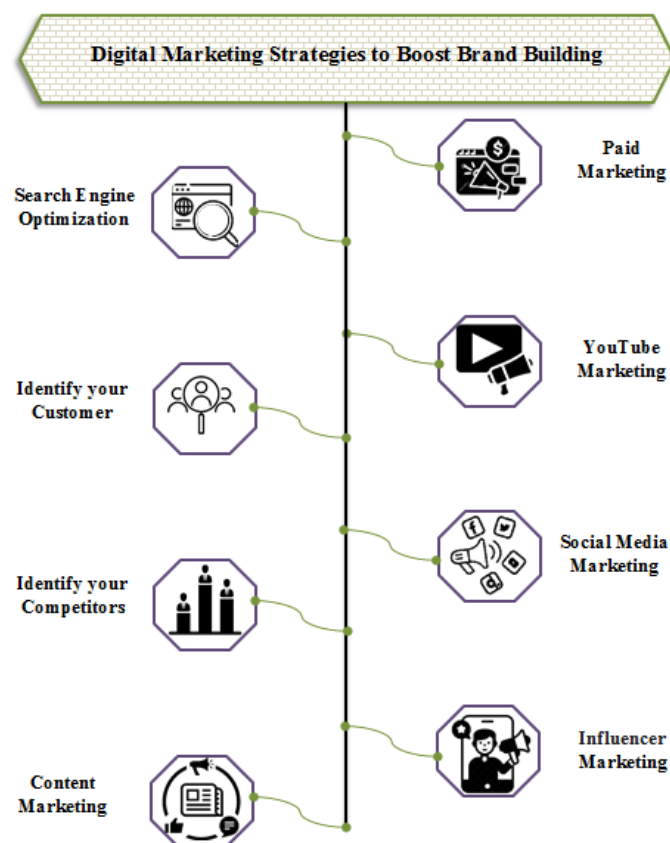


Figure 1: Digital marketing strategies to boost brand building

The structure of the paper is enlisted as: the associated works are elucidated in Section 2; the research technique is explicated in Section 3; the outcome and discussion are described in Section 4; lastly, the paper is wound up in Section 5.

2. RELATED WORKS

Emad Tariq *et al.* [11] intended to examine the development of a brand through DM strategies, green marketing, along with Corporate Social Responsibility (CSR) policy. In the UK, questionnaire data were collected from 404 respondents. Through probability sampling and simple random sampling techniques, a study of a sample has been collected and analyzed. The outcome displayed that CSR policy, green marketing, and DM had a great impact on the development of the brand, which was statistically significant to brand development. The limitations that occurred in this study were the study only focused on the manufacturing sector and the social disclosure in this study was computed to be statistically insignificant.

Mihir Dash and Kshitiz Sharma [12] scrutinized the DM's impact on the development of luxury car brands. A study data has been gathered from the brand of the central marketing office from 2013 to 2015 in major luxury car brands in Bangalore. Moreover, for analyzing the study outcomes, a marketing response model with a linear model has been employed. Lastly, the study exposed that the presented model had an impact on DM. Therefore, it provides effectiveness to measure each of the media and the interaction betwixt them. But, the time period was relatively smaller; also, the model of explanatory power was lower.

Anna Makrides *et al.* [13] investigated effective digital platform strategies and practices in the prospects of building brand awareness on an international level. Here, questionnaire data has been taken from 200 respondents in Cyprus and abroad. Here, the sample has been collected and analyzed by utilizing a survey methodology. The outcome indicated that small and medium-sized enterprises obtained huge potential from DM. Owing to a one-time snapshot survey, the consumers' online habits might change. Also, the outcome might occur biased since the sample has been considered from respondents who were customers of a specific company.

Shahzad Ahmad Khan *et al.* [14] evaluated the DM impact on the multi-level luxury values and behavior of consumer brand-related intention. Data has been collected from 214 respondents of luxury brand consumers in Pakistan utilizing a survey-centric technique. For the outcome analysis, a quantitative approach has been utilized. Hence, the study displayed that DM had a substantial moderation on the insignificant relationship betwixt luxury brand-related behavior of the consumer, while the luxury value had a significant moderating influence on DM. Here, time constraint was a major limitation; also, this study covers only central and northeastern cities, thus affecting the generalizability of the findings.

ArtaIstrefi-Jahja *et al.* [15] explored the DT and DM impacts on brand positioning and brand promotion in enterprises of Kosovo. A sample of a study has been collected from 150 companies, which have been generated by the Agency of Kosovo business registration. Through a partial least square analysis, the data has been examined. Lastly, the study revealed that the brand position and promotion have been affected by the enterprises of DM in the process of digitalization. But, owing to the limited small size, the outcomes could not be generalized in other contexts.

S. Krishnaprabha and R. Tarunika [16] examined the building of brand awareness via the initiatives of DM. A questionnaire data has been collected from 70 respondents, who were aware of factors in DM. The collected data has been assessed by employing various tools and statistical techniques. As per the findings, the building of brand awareness was influenced by the activities of DM. Nevertheless, the sample size of this study was very low.

Sindy Liu *et al.* [17] evaluated the WeChat of DM for luxury fashion brands in China. Here, data has been considered from 15 international brands of luxury fashion, which have been active on platforms of e-commerce in China. The collected samples have been analyzed by utilizing a qualitative approach. The study stated that in the Chinese market, digital strategies had prominent impacts on luxury fashion brands in accordance with the positioning of brands. Here, a major limitation was that the collected sample was limited.

3. DATA SOURCE AND METHODOLOGY

The research study is intended to analyze the impact of DM strategies on building brands related to luxury apparel. Here, the methodology adopted is a convenience sampling technique grounded on a well-structured questionnaire and quantitative research. A questionnaire was developed and administrated to customers, who were visiting luxury brand stores in Delhi/NCR. A total of 380 questionnaires were distributed across NCR. Here, primary as well as secondary data have been employed. Questionnaire data has been the primary data, whereas the secondary data has been collected from articles, journals, books, magazines, et cetera. Out of 380 respondents, the survey was completed by 351 respondents, whereas the balance 29 respondents did not properly reply to the structured questionnaire. A questionnaire has been prepared by utilizing a 5-point Likert scale. Here, a descriptive study has been conducted to get the statistical results from the respondents and described the studied variables in depth. Moreover, an SEM has been employed in this study to test the hypothesized relationship. Also, through simple statistical tools like mean, standard deviation, and percentage analysis, an interpretation of data has been analyzed. Table 1 illustrates the respondents' demographic profile,

Table 1: Demographic analysis (N=351)

Demographic characteristics	Frequency (N)	Percentage (%)
Age		
Below 25	67	19.08%
25 to 40	175	49.85%
Above 40	109	31.05%
Gender		
Male	217	61.82%
Female	134	38.17%
Marital status		
Married	221	62.96%
Unmarried	130	37.03%
Education level		
Graduate	155	47.57%
Post Graduate	123	35.04%
Others	53	17.37%
Annual Income level		
<2 Lakhs	98	27.92%
2 to 5 Lakhs	143	40.74%

>5 Lakhs	110	31.33%
Frequency of Internet usage		
<2 Hours	116	33.04%
2 to 4 Hours	151	43.01%
>4 Hours	84	23.93%

Table 1 elucidates the respondents' details concerning their age, gender, education level, annual income level, and frequency of internet usage of respondents. It is observed that the majority of the respondents are presented betwixt the age groups of 25 to 40 and the obtained percentage is 49.85%, followed by the other age categories of above 40 (31.05%), and below 25 (19.08%). Out of 351 respondents, 61.82% (217) respondents were male, and 38.17% (132) respondents were female. Here, the majority of the respondents were married, that is, 62.96%, whereas, 37.03% were unmarried. The respondents were well educated and most of the respondents completed the graduate level (47.57%), followed by postgraduate (35.04%), and other education levels (17.37%). Here, out of 351 respondents, 40.74% of respondents' annual income is between 2 to 5 Lakhs, followed by above 5 Lakhs (31.33%), and below 2 Lakhs (27.92%). Here, the respondents' daily internet usage has been analyzed. 33.04% of respondents were using less than 2 hours of internet, 43.01% of respondents use 2 to 4 hours, and 23.93% of respondents use above 4 hours.

3.1. Impact of digital marketing on the development of brand building

Table 2: Analysis of digital marketing impact on developing brand building

Digital Marketing	Mean (M)	Standard deviation (SD)
S1-In the last 10 years, a firm has implemented DM	3.75	1.31
S2-To create a DM strategy, a firm uses Google Analytics and SEO	3.13	1.42
S3-As a form of brand promotion, a firm uses a web page and social media	3.56	1.53
S4- DM tool of the webpage, social media, google analytics, etc has an impact on brand positioning	3.37	1.52
S5-Measure the influence of social media, google Analytics for brand promotion	4.07	1.38

The analysis of the digital market impact on the development of brand building is demonstrated in Table 2 [15]. Here, for the analysis of the above-given statements, the mean and standard deviation has been calculated. Comparing all the statements, the highest mean value is attained by the statement "Measure the influence of social media, google analytics for brand promotion", that is, 4.07, and its standard deviation is 1.38. Moreover, S1 achieved the second highest mean value (3.75), followed by S3 (M=3.56, SD=1.53), S4 (M=3.37, SD=1.52), and S2 (M=3.13, SD=1.42). Figure 2 graphically represents the mean and standard deviation of DM impact,

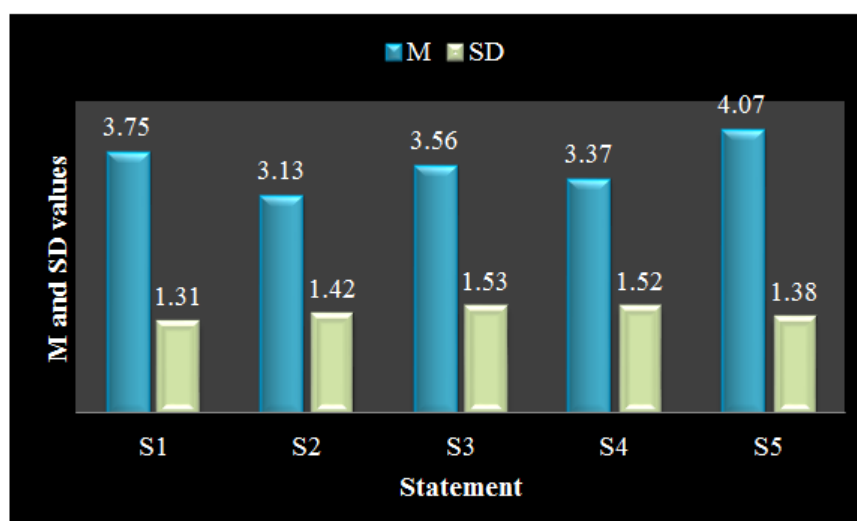


Figure 2: Graphical representation of Mean and SD value for the impact of digital marketing strategies

3.2. Factor influences on the perception of luxury brand

Table 3 (a): Analysis of factor influences on the perception of luxury brand

Statement	Factor loading
S1-Luxury brands have high quality	0.661
S2-Post services facility has been satisfied	0.747
S3-Some luxury brand is familiar	0.595
S4-Luxury brand is durable	0.782
S5-Satisfied with brand advertisement	0.723
S6-Helps to compare one brand with another through digital advertisement	0.767
S7-Increases attachment to luxury brand products through digital advertisement	0.740
S8-Helps to stay updated with services or products with digital advertisement	0.731

Table 3 (b): Analysis of digital marketing on brand building

R	R ²	Adj. R ²	Sig. F value
0.398	0.167	0.155	.000

Table 3 (a) displays the factor that influences the consumer's perception of the luxury brand [7]. Here, a factor analysis technique has been employed, which will extract the minimum number of factors to the maximum number of variances. Comparing all the statements, S4 obtained the highest factor loading value, which is 0.782. After that, the statement "Helps to compare one brand with another through digital advertisement" secured the second highest position, and the obtained factor loading value is 0.767. Lastly, the statement "Some luxury brand is familiar" obtained a least factor loading value, that is, 0.595. Then, table 3 (b) shows the significant relationship between DM strategies and brand building. For identifying its relationship, regression analysis has been utilized. From the analysis, it is revealed that the DM strategies had a significant impact on brand building; thus, the obtained R² and adjusted R² are 0.167 and 0.155, correspondingly.

4. RESULT AND DISCUSSION

In this phase, the collected sample was analyzed and discussed. By utilizing SEM analysis, a hypothesis has been generated and tested. Further, the coefficient correlation among the variables was analyzed and discussed.

4.1. Hypothesis development

H1: Innovation with DM positively influences CB towards the luxury brand.

H2: Social status with DM positively influences CB towards the luxury brand.

H3: ID with DM positively influences CB towards the luxury brand.

H4: A Functional Dimension (FD) with DM positively influences CB towards the luxury brand.

H5: A strategy of DM positively influences CB towards the luxury brand.

Table 4: Testing of hypothesis

Hypothesis	Estimate (β)	R ²	ΔR	Significance	Result
H1	0.304***	0.645	0.641	.000	Accepted
H2	0.251***	0.657	0.653	.000	Accepted
H3	0.233***	0.638	0.634	.000	Accepted
H4	0.291***	0.682	0.679	.000	Accepted
H5	0.416***	0.694	0.690	.000	Accepted

***p ≤ 0.001

The results of the hypothesis testing are illustrated in Table 4. Here, the estimation value of β , R^2 , ΔR , and its significance value has been computed [14]. A positive as well as significant relationship among the variables has been attained by all the hypotheses. The H5 obtained the highest R^2 and ΔR values, which are 0.694 and 0.690, correspondingly, where its estimated value is 0.416***. Thereafter, the H1 obtained the second highest significant and positive relationship ($\beta=0.304***$ $p \leq .001$), and the third highest significant relationship was secured by the H4 ($\beta=0.291***$, $p \leq .001$). Figure 3 depicts a graphical representation of SEM analysis,

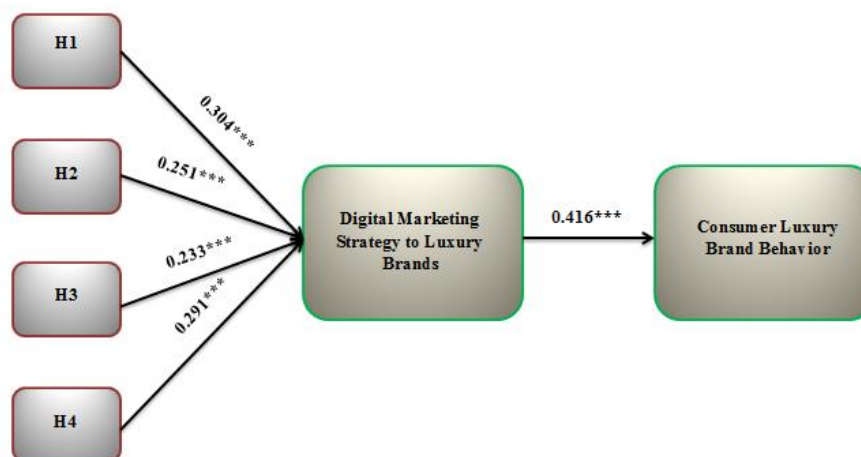


Figure 3: Analysis of SEM

4.2. Correlation Coefficient

Table 5: Analysis of correlation coefficient

	M \pm SD	IN	SD	ID	FD	DM	CB
IN	3.56 \pm 0.60	1					
SD	4.01 \pm 0.64	0.072**	1				
ID	4.11 \pm 0.75	0.543*	0.952*	1			
FD	3.12 \pm 0.63	0.088**	0.093**	0.098**	1		
DM	3.43 \pm 0.61	0.090**	0.736*	0.783*	0.077**	1	
CB	3.29 \pm 0.61	0.092**	0.561*	0.594*	0.099**	0.840*	1

*. Correlation is significant at the 0.05 level (2-tailed)

**. Correlation is significant at the 0.01 level (2-tailed)

The correlation coefficient betwixt the variables of Innovation (IN), Social status Dimension (SD), ID, FD, DM, and CB is demonstrated in Table 5 [14]. Here, the ID obtained the highest mean value, which is 3.56, whereas the FD obtained the lowest mean value, that is, 3.12. The social status was positively and significantly correlated with all the variables, where it achieved the highest significant correlation with the variable of IDs (0.543*). Next, the ID and FDs were highly correlated with DM, that is, 0.736* and 0.783*; whereas, DM had a significant correlation with the variable of CB of luxury brands.

5. CONCLUSION

This study was intended to analyze the impact of DM strategies on the building of a brand related to luxury apparel. Also, it explored the consumer behavioral intention of luxury brands. By utilizing an SEM analysis, this study generated a hypothesis and tested it. This study concluded that the impact of DM strategies had a significant relationship on brand building and the achieved R^2 value is 0.167; further, it develops brand promotion and position. For purchasing a luxury brand, consumers were highly influenced by the duration of a luxury brand; the obtained factor loading value is 0.782. the SEM analysis displayed that the DM strategy positively influences CB towards the luxury brand and the obtained estimated value is 0.416***. But, this study only concentrated on respondents only from NCR and was limited to certain perception levels. Hence, it helps to engage more customer interaction with DM and aids in enhancing the efficiency and promotion

of the brand among consumers. This study will be extended in the future by considering all urban and rural areas populations and exploring various adoption levels and challenges faced by DM in brand building.

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