THE IMPACT OF STORYTELLING ON LUXURY VALUE PERCEPTION OF A BRAND GOYARD CASE STUDY

อิทธิพลของการเล่าเรื่องในการตลาดต่อการมองคุณค่าของสินค้าลักชัวรี่ของผู้บริโภคชาวไทย กรณีศึกษา แบรนด์ GOYARD

Namoan Jirawongsy

International College, Panyapiwat Institution of Management

Abstract

Luxury brands are gaining wide acceptance and recognition in Thailand. Each brand is competing with each other to strive to be crème de la crème in the market. In order to be on top, luxury brand must create its luxury value. With luxury marketing tools such as storytelling, a brand can increase its luxury value and become more aware, desirable and precious to those who heard a storytelling. A heritage brand is a brand that performs well with storytelling, with its longevity, history, core value, symbol and track record, a brand will be able to generate an effective storytelling. By choosing a low awareness fashion luxury brand with heritage, Goyard to demonstrate a relationship between storytelling and luxury value perception, this research will clarify the impact of storytelling on each dimension of luxury value perception that can enable luxury marketers to utilize their resources and marketing tools in order to create sustainable and desirable luxury brand. This research will help indicate the way luxury marketing should focus on storytelling and how it should be done in Thai luxury market. Result from this study shown value that increases most from storytelling is financial value as well as luxury value regardless to level of brand awareness of consumer. Therefore, local value also plays a critical role in positioning judgment and storytelling must be applied at the right place and in the right time.

Keywords: Luxury Value Perception, Storytelling, Value Perception, Luxury Marketing

Corresponding Author

E-mail: n.jirawongsy@gmail.com

บทคัดย่อ

ในปัจจุบันนี้ปฏิเสธไม่ได้ว่า สินค้าลักชัวรี่แบรนด์กลายเป็นสินค้าที่ผู้บริโภคหลายๆ คนให้ความสนใจมากขึ้น และในตลาดเองก็มีลักชัวรี่แบรนด์มากมายหลากหลายแบรนด์ให้ผู้บริโภคเลือกใช้ แต่การที่จะทำให้แบรนด์มีความโดดเด่น หรือถูกใจผู้บริโภคได้นั้น เป็นเรื่องที่ท้าทายพอสมควร เนื่องจากลักชัวรี่แบรนด์นั้นมีราคาสูง ผู้ทำการวิจัยได้สังเกตเห็น การนำการเล่าเรื่องมาใช้ในการตลาดของหลายๆ แบรนด์ จึงเกิดความสงสัยว่าการเล่าเรื่องจะใช่สิ่งที่ทำให้ลักชัวรี่ แบรนด์นั้นๆ มีคุณค่าเพิ่มขึ้นจนทำให้ผู้บริโภคตัดสินใจซื้อหรือไม่ โดยได้เลือกแบรนด์ Goyard ที่ไม่ค่อยมีผู้รู้จักมากนัก มาเป็นกรณีศึกษา ด้วยตัวแบรนด์มีประวัติความเป็นมาและใช้การเล่าเรื่องเป็นส่วนประกอบในการทำการตลาด ผลจากการวิจัยนี้จะช่วยให้นักการตลาดในธุรกิจลักชัวรี่แบรนด์สามารถเพิ่มประสิทธิภาพในการทำการตลาดผ่านการใช้ เครื่องมือ เช่น การเล่าเรื่องมาสอดแทรกในเนื้อหา เพื่อสร้างคุณค่าให้กับแบรนด์ในประเทศไทย โดยจากการวิจัยทำให้ ได้ผลสรุปว่า การนำเรื่องเล่าของแบรนด์มาใช้ทางการตลาดนั้น ทำให้คุณค่าของแบรนด์เพิ่มขึ้นโดยเฉพาะในด้านราคา ทั้งในกลุ่มผู้ที่รู้จักแบรนด์เองหรือเพิ่งรู้จักแบรนด์เองก็ตาม ทั้งนี้การนำเรื่องเล่ามาใช้ในการตลาดควรจะคำนึงถึงค่านิยม ในสังคมนั้นๆ เพื่อค้นหาปัจจัยที่สำคัญที่สุดที่สามารถกระตุ้นมุมมองเพื่อเพิ่มคุณค่าของแบรนด์ให้กับผู้บริโภคต่อไป

คำสำคัญ: คุณค่าของลักชัวรี่แบรนด์ การเล่าเรื่อง การตลาด สินค้าแบรนด์หรู

Introduction

Luxury brands are gaining wider recognition and acceptance in Thailand, which can be seen by people carrying luxury bags, wear luxury clothes, shoes or watches on the street or even an appearance of luxury bags in Thai dramas. As the awareness of luxury brands is increasing, and is not considered as something preserved for specific groups anymore. On the other hand, luxury brands are also perceived in different aspect, from the research of Tovikkai and Jirawattananukool in 2010 which study luxury brand consumption of university students and result in different aspect of meaning of luxury as follow: great confort and extravagant items, expensive and unnecessary items but desire, best quality items, very selective and exclusive items and others. Since there are various luxury brands launching their boutiques in Thailand and customers are becoming more selective which result in an issue of how can luxury brands stay on the top of customers' minds and how to increase their value. There is only one-thing makes luxury brand different from mass brands is its heritage and brand universe (Azam, 2015), which can be expressed through storytelling. Storytelling is the way to differentiate a luxury brand and the best way to stand out in the crowded, competitive marketplace for luxury experiences and goods is to have the best story as story it the tool to show that a brand is authentic, precious and ultimately, human (Abboud, 2015). But how does it affect the brand and in which aspect of luxury value, that is what this study will try to find out.

Literature Reviews

To be able to demonstrate a relationship between luxury value perception and storytelling,

first must understand the concept of luxury value, which a study of Hennings, Siebels and Wiedmann in 2007 has described the 4 majors dimensions of luxury value which are: financial value, functional value, individual value and social value as shown in figure 1. In each dimension shows small components that help build up each dimension's value which are in different number.

In financial dimension, it addresses mainly about monetary aspect which mostly shown as price. For functional dimension, it seeks for product utility, quality and uniqueness of the product. Next, individual dimension focuses on customers' personal matters that they get when consuming the product such as self-identity, hedonic and materialistic value. Last, social dimension indicates perceived value which individual acquires from others that include conspicuousness and prestige value (Singh & Sonnenburg, 2012). Storytelling has been a kind of communication for long time and also use as a powerful marketing tool especially for luxury brand. To describe how powerful storytelling is, Barny (2013) has stated out that great storytelling and branded content allows the luxury brand to be seen as individual and confident, sharing the dream of the brand, not aggressively just pushing the product, which allow the brand to be easier to remember and recognize. Therefore to create a great storytelling, one must combine of the follow element from the research of Singh and Sonnenburg in 2012, a good story telling must complete with the following elements: awareness, recall, good feeling, and meaningful.
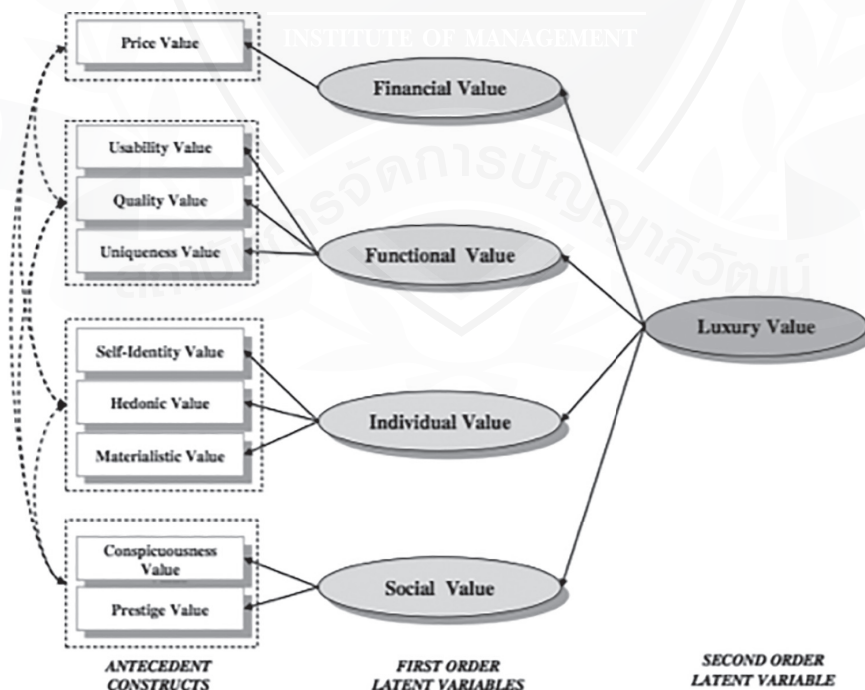

Figure 1 The conceptual Model of Luxury Value Perception

Storytelling can't be told without a story to tell. Therefore, a luxury brand with heritage is very likely to success with their use of storytelling. To diversify a luxury heritage brand from all luxury brands, Urde, Greyser and Balmer (2007) has presented a brand stewardship with elements that heritage brand needs as follow: longevity and consistency, core values, use of symbols, history as an important part of identity and track record of brand activities that lived up to its value and promises over time. An evidence of relationship between luxury value perspective and storytelling has been shown in an example of Chanel's 'Inside Chanel' campaign, with its consistency, core value, use of symbols, history and track record of brand

enable Chanel to create a set of online videos posing consistently on Chanel's website, telling their history and heritage from the story of symbol, their infamous Chanel No. 5 perfume, the black jacket to Coco Chanel's works and design which won Luxury Daily's 2013 Luxury Marketer of the year for the measured attention it paid in multiple consumer segments, strong use of video and advertising flair in luxury publication, all guarantee for Chanel's position at top of the mind of consumer and luxury value its has created. "Each piece of communication and marketing was an another link in the grand construct of the Chanel story said Mickey Alam Khan, editor in chief of Luxury Daily in 2013.
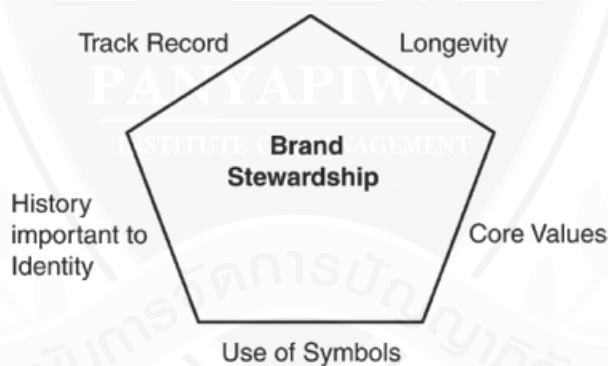

Figure 2 Heritage Brand

Research Objectives

1. To understand the relationship between storytelling and luxury value perception of Thai customers

2. To identify the strength of storytelling in luxury marketing, especially in Thai market.

3. To utilize luxury marketing tool and create a suitable way of marketing for Thai customers.

Methodology

Researcher uses heritage brand filter from Urde, Greyser and Balmer's study in 2007 and a storytelling marketing tool available option to choose a case study for this research, which Goyard, a luxury French trunk-maker house is selected. With its heritage, founded in 1837, and always emphasizes in craftsmanship and also

keep the production line in a traditional way, including well use of its symbol, the signature print 'Goyardine' which appears on its product and helps the brand stands out from its competitors, and a list of a-list clientele such as Coco Chanel, Pablo Picasso, Edith Piaf, Jean Lanvin to Karl Lagerfeld make Goyard one of luxury heritage brands.

The brand's storytelling video and information are used to create a set of questionnaire, which divided into 3 sections: general information, which will collect sample information of gender, age, education level, occupation, monthly income and their meaning of luxury; Goyard case study which will be dedicated to Goyard with a set of questions to investigate the pre-storytelling perspective of sample toward the brand itself in the first half and in the second half will help discover luxury value perspective of sample toward Goyard after storytelling by giving a statement sentence that related to each value dimension.

The number of sampling is 100. They are easy samplings and acquired via Facebook and acquaintances. Therefore, the ratio between male and female as well as age range are somehow controllable which is predict to be between 21 – 27 years old as a primary group but researcher can control their nationality as all of them are Thai people. Background such as education, family, economic and taste of samplings are partly alike as some of them may share the same background. Most of

sampling will be those who are in their first job with not too high salary but also spend their money on some luxury product and/or masstige product.

SPSS Program and Gretl are used to analyze data as well as OLS regression to find the most effective storytelling proxy that has an impact on each luxury value perception.

Research Findings

From the first part of questionnaire, which had collected general information of samples, show that the ratio between men and women is 37:63 with the average age of 28.8 years old. The oldest age of sample is 61 while the youngest is 19 years old. 56 sample are Bachelor degree graduated, 42 are Master degree graduated and 2 are Ph.D. graduated. 26 samples' monthly income is below 20,000 THB, while the large group belongs to 50,001-80,000 THB and only 13 samples have monthly income of more than 80,001 THB. For meaning of luxury, 36 sample are convinced that luxury is something extravagant, desirable and provides you great comfort but not necessary, follow by 33 samples agree that luxury is something very selective, exclusive, rare and is only preserved for a specific group of people, 16 samples believe that luxury is something expensive with high quality but not very functional and the rest of sample agree on something emotional with history, craftsmanship and heritage.

Table 1 Cross tabulation, by Brand Awareness Level, Luxury Meaning and Income.

Knowing Goyard			Income				Total
			Below 20k	20k - 50k	50k - 80l	Above 80k	
Yes	Luxury	Extravagant not necessary	0	4	1	2	7
		High quality not functional	2	1	0	0	3
		Emotional with heritage	0	5	1	1	7
		Selective for specific group	1	7	4	1	13
	Total	Count	3	17	6	4	30
No	Luxury	Extravagant not necessary	8	16	1	4	29
		High quality not functional	7	4	1	1	13
		Emotional with heritage	3	4	1	0	8
		Selective for specific group	5	11	1	3	20
	Total	Count	23	35	4	8	70

While looking to second part of questionnaire, researcher asked if sample aware of the brand or not and shows that only 30 samples know Goyard and 70 samples never heard of it. With a picture of Goyard trunk given in the questionnaire, sample are questioned their thoughts about the luxury aspect of the trunk. The result shown that the group that know Goyard gives a very high score at 4.8 from 5 while another 70 sample gave out an average score of 4.08. And when ask if samples want to know more about Goyard brand after seeing the Goyard trunk photo, an aware sample gave out 4.13 while an unaware sample gave out 3.57 from 5.

In the questionnaire, researcher has put a little brief history of Goyard brand to test if telling story directly affects sample's interest in the brand or not which is separated into 5 questions: Goyard's origin, Goyard's achievement, Goyard's clientele and Goyard's exclusivity. The result shown that Goyard's clientele made the highest average score with 4.27 from 6 from all samples while the lowest score belongs to Goyard's French origin.

From above question, researcher suspects a similarity of given score between 2 groups that an unaware group always give out lower score than an aware group.

In the next part, researcher let samples watch the storytelling video of Goyard that emphasized heritage and craftsmanship of the brand. With luxury value perspective proxies and storytelling element proxies, researcher

finds the relevant between them which shown in table 1. The most recognized value overall samples got after the storytelling is price value which scored 4.67 from 5 and follow by quality value at 4.45 while the least score goes to self-identity value at 3.78.

While separating sample in to an aware group and an unaware group, an aware group always gives out a higher score than an unaware group except for price value, which is 0.14 higher, and also the highest score an unaware group gave out at 4.94. The highest score an aware group gave out. On the other hand, the lowest score from an aware group goes to individual value (Own Goyard bag is always in style) and from an unaware group goes to individual value (Own Goyard bag is satisfying). When combining all score of statement of each value into price value, financial value, individual value and social value, the highest mean belongs to price value at 4.7 and 4.66 from an aware group and an unaware group and the lowest goes to individual value at 4.22 and 3.88 as follow.

With a question given to sample both pre and post video viewing of luxurious of Goyard, the result shows that both aware group and unaware group luxury value scores are increasing dramatically, especially with unaware group

that went up from 4.09 to 4.6, to summarized, storytelling affected customer's luxury value perspective toward Goyard. To find out what is the most effective storytelling proxy on luxury value perception, OSL Regression is involved. When run overall luxury value against each element of storytelling, the result shown as feel good, recall and good meaning is what that affect luxury value most.

After finding all the significant factors of storytelling proxies toward luxury value perception in each aspect as well as overall. The most repeated significant factor is meaningful which impacts 7 luxury value perceptions include: price value, utility value, quality value, hedonic value, materialistic value, conspicuousness value and prestige value as well as the overall luxury value. Follow by good feeling as the second most repeated significant factor with 4 luxury value perceptions include: utility value, uniqueness value, self-identity value, hedonic value and overall luxury value. The third most repeat significant factor is awareness which impact to 2 luxury value perceptions: self-identity value and conspicuousness value and lastly, recall which is significant only to 1 luxury value perception, which is price value as shows in the figure 3.
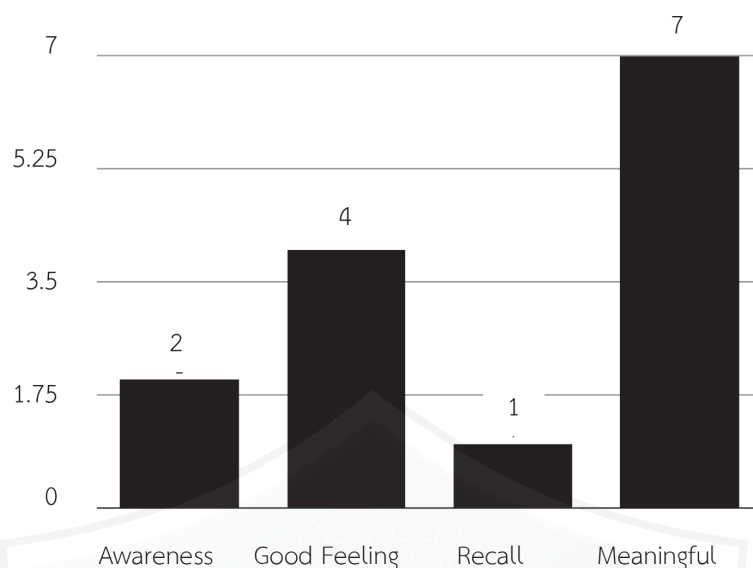
Figure 3 Count the Repeat of Significant Factors to enhance Luxury Value Perception

Conclusion

Knowing Goyard and not knowing Goyard brand has a relationship with increasing of luxury value perception of the brand as before watching storytelling, the first group who know Goyard scores 4.8, while the second group who doesn't know Goyard scores 4.09 and both score of luxury value perception of both group also increase after storytelling by the first group has increased 0.07 to 4.87, while the second group has increased dramatically from 4.09 to 4.5. This can concluded that storytelling does have an effect on luxury value perception of customer.

When focus on which luxury value perception aspect that is affected most by storytelling, the result show on both groups to be price value as well as the overall score of all 100 samples give the most agree statement to price value, while the least affect luxury value perception is self-identity value.

In order to increase price value of Goyard brand by using storytelling, brand must strengthen their storytelling's recall and meaningful element as price value is the most affected luxury value perception which brand should focus on in order to be more valuable toward luxury consumers. In the other hand, the brand can also adopt the result to improve their weakness of luxury value perception, which is self-identity value by focusing on awareness and feel good element to boost self-identity value level.

To be concluded, storytelling in luxury marketing has a positive impact on luxury value perception of luxury consumer. Luxury marketer can adopt their storytelling campaign from this research from the discovered data such as the most impacted luxury value perception by designing the right element of storytelling and the right content of luxury value perception.

References

Abboud, S. (2015). *The Key to Marketing Luxury Brands is Storytelling.* Retrieved March 31, 2015, from http://www.qatarisbooming.com/article/key-marketing-luxury-brands-storytelling

Azam, N. (2015). *The Concept of Luxury Brands Vs. Mass Brands.* Retrieved November 20, 2015, from https://www.linkedin.com/pulse/concept-luxury-brands-vs-mass-naeem-azam

Barny. (2013). *5 Marketing Approaches to Look Out For In 2013.* Retrieved June 26, 2015, from http://www.thefutureofluxury.co.uk/5-marketing-approaches-to-look-out-for-in-2013/

Bendell, J. & Kleaanthous, A. (2007). *Deeper Luxury – Quality and Style When the World Matters.* Retrieved July 18, 2015, from http://www.wwf.org.uk/deeperluxury/_downloads/Deeper luxuryAccess.pdf

Euromonitor. (2013). *Consumer Lifestyles in Thailand.* London: Euromonitor.

FC Tech Group. (2013). *The Power of Brand Storytelling.* Retrieved March 31, 2015, from http://fctechgroup.com/2013/08/13/the-power-of-brand-storytelling/

Heine, K. (2011). *The Concept of Luxury Bands.* Retrieved October 30, 2013, from http://www.scribd.com/doc/64198092/The-Concept-of-Luxury-Brands-Presentation

Hennings, N., Siebels, A. & Wiedmann, K. P. (2007). *Measuring Consumers' Luxury Value Perception: A Cross-Cultural Framework* (1st ed.). Institute of Marketing and Management, Leibniz University of Hanover, pp. 5-6.

Kattan, O. (2013). *Coco Chanel: Masterful Storytelling in the Luxury Branding Industry.* Retrieved April 1, 2015, from http://www.brandstories.net/2013/10/16/coco-chanel-masterful-storytelling-luxury-branding-industry/

Leuenberger, S. (2014). *The Power of Consumer Generated Storytelling for Heritage Brands in Online Communication.* Retrieved May 18, 2015, from http://www.brandba.se/blog/2014/5/15/heritage-brand-storytelling-online

McCarthy, J. (2013). *Chanel is 2013 Luxury Marketer of the Year.* Retrieved May 29, 2015, from http://www.luxurydaily.com/chanel-is-2013-luxury-marketer-of-the-year/

Oxford University Press. (2015). *Luxury.* Retrieved June 1, 2015, from http://www.oxforddictionaries.com/definition/english/luxury

Positioning Magazine. (2006). *Luxury Marketing.* Retrieved March 29, 2015, from http://www.positioningmag.com/content/luxury-marketing

Rica, M. & Robins, R. (2012). *Meta-Luxury: Brands and the Culture of Excellence.* Retrieved November 5, 2013, from http://www.meta-luxury.net/

Saletta, L. (2015). *The New Meaning of Luxury.* Retrieved June 1, 2015, from http://theeverygirl.com/the-new-meaning-of-luxury

Setthasat.com. (2012). *The Exploratory Study in Thailand's Young women of Consuming Luxury Brand*. Retrieved October 30, 2013, from http://setthasat.com/2012/09/30/the-exploratory-study-in-thailands-young-women/

Singh, S. & Sonnenburg, S. (2012). *Brand Performances in Social Media'*. Retrieved June 3, 2015, from http://www.academia.edu/8377599/Brand_Performances_in_Social_Media

Tovikkai, K. & Jirawattananulook, W. (2010). *An Exploratory Study on Young Thai Women Consumer Behavior toward Purchasing Luxury Fashion Brand.* Retrieved May 19, 2015, from http://www.diva-portal.org/smash/get/diva2:326249/fulltext01

Urde, M., Greyser, S. A. & Balmer, J. M. (2007). Corporate Brands with a Heritage. *Journal of Brand Management, 15*(1), 4-19.

Name and Surname: Namoan Jirawongsy
Highest Education: Master of Business Administration (International Business)
University or Agency: Panyapiwat Institute of Management
Field of Expertise: Digital luxury communication
Address: 98/180 Laddarom Pinklao Village Soi 2/13 Moo 5, Talingchan-Supanburi Rd., Bangkuweang, Banggruay, Nonthaburi 11130