Value Co-Creation in Luxury Brand Social Media Marketing: A Netnographic Study of the Louis Vuitton and Yayoi Kusama Collection

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Abstract-- This paper explores the impact of social media marketing on consumer engagement and response through a case study of luxury brands Louis Vuitton and Yayoi Kusama collaboration. The researcher applied netnography to analyse 72 Instagram posts by the brands and customers, including conversations and interactions related to the collaboration. The results showed that most consumer-generated Instagram posts about the Louis Vuitton x Yayoi Kusama collaboration showed a particular interest in designer-heavy, product-light content. Brand-generated posts mostly featured product launch, brand ambassador, and a call for interaction, whereas user-generated posts mainly covered immersive design inspiration and artist themes. The study revealed that Louis Vuitton's use of social media for value co-creation for its collaboration with Yayoi Kusama has resulted in active consumer engagement and deeper brand loyalty. However, this finding highlights the necessity of expanding design-related content to maximize consumer engagement in the online community.

Key Words-- Luxury brand, social media marketing, value co-creation, netnography, user-generated content

I. INTRODUCTION

SOCIAL media is a platform where consumers find and engage with their preferred brands (Naylor, Lamberton, & West, 2012). It has become a social e-commerce channel, allowing consumers to make direct purchases (Anderson, Sims, Price, & Brusa, 2011; Tuten & Solomon, 2015). Social media is also a useful for building stronger relationships between consumers and brands to enhance consumer loyalty (Laroche, Habibi, and Richard 2013). This study aims to investigate the direct impact of luxury brands' social media marketing efforts on consumer responses.

This study specifically focused on the collaboration between Louis Vuitton and Yayoi Kusama, a renowned Japanese artist. This collaboration created a range of products, including handbags, accessories, and clothing, which featured Kusama's signature polka-dots motif alongside Louis Vuitton's classic monogram pattern.

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The Yayoi Kusama x Louis Vuitton collection garnered significant attention from both the fashion and art communities, making it a unique case for exploring how luxury brands use social media to promote their artists' partnerships and create value co-creation opportunities with their consumers. By examining this latest collaboration, this paper provides key insights into how luxury brands cultivate stronger relationships with their target audiences on social media.

II. LITERATURE REVIEW

2.1 Social Media Marketing for Luxury Brands

Social media provides an important platform for marketers to interact and build stronger personal relationships with consumers (Kelly, Kerr, & Drennan, 2010). It is especially instrumental for the success of luxury brands (Phan et al., 2011). Kim and Ko (2012) described five dimensions of luxury brands' social media marketing efforts: entertainment, interaction, trendiness, customization, and word of mouth. There is a growing trend of luxury brands utilising social media marketing to build and maintain relationships (Park & Kim, 2015), share brand knowledge (Kim & Ko, 2012), drive sales (Chu et al., 2013), and deliver user-generated content (Phan et al., 2011). Luxury brands have integrated social media into their marketing strategies to increase the reliability of their promotions and cultivate more intimate customer connections. For example, Louis Vuitton presented its catwalk shows to all its fans through video posts on its Facebook page (Kapferer, 2012).

2.2 Brand Value Co-Creation

Value co-creation is a crucial aspect of the luxury goods market. In contrast with traditional marketing, which concentrate on creating a value proposition that the customer can accept or decline, co-creation emphasises the collaborative creation of value between the supplier and the engaged customer (Choi et al., 2016; Quach & Thaichon, 2017; Tynan et al., 2010). The value is dynamically created with customers, either as value-in-use or value-in-context. Value-in-use refers to the usefulness of a product or service to the customer, whereas value-in-context implies that the customer's interpretation of an experience is connected to the product/service bundles in the context of their usage (Chapman & Dilmperi, 2022). Studies by Payne et al. (2009), Prahalad and Ramaswamy (2004) and Varto

and Lusch (2004) claimed that companies create their brand value by leveraging active and engaged customers rather than passive users. This means that marketing should focus on facilitating the exchange of knowledge and skills with customers for the co-creation of brand value (Vargo and Lusch, 2004) to build a service orientation based on shared value creation processes (Vargo and Lusch 2004, 2008).

2.3 Co-Creation Effort in Online Brand Communities

Brand communities are defined as social groupings that uphold the same cultural norms and implement, negotiate, or cooperatively produce brand value (Kozinets, 2001). Online brand community members have various roles; they can serve as providers, recipients, or both to add value to themselves, the community, and the company (Pongsa- kornrungsilp & Schroeder, 2011). Through their posts, actors perform an active role in these marketing communities. When a brand shares a social media post, the followers provide feedback by sharing or liking it, which is perceived as a network of actors collaborating and co-creating (Belk, 2007).

Value co-creation occurs at various interaction points between the customer and supplier beyond the point of exchange. These interactions take place throughout the service's lifespan and may involve the brand's networks, including online communities and business partners. Pitt et al. (2006) claim that online communities foster co-creation and innovation. Muniz and O'Guinn (2001) explain that specific brand communities can be created to allow users to share their brand-related experiences. Social media enables consumers to share their brand-related experiences in real-time through user-generated content such as photos and videos. Prahalad and Ramaswamy (2004) view personalised experiences as the brand and identify co-creation as an evolving process where the customer is an active partner. User-generated production is considered as a part of co-creation process that combines consumers' personal experience and opinions with brand narratives (Payne et al., 2009). Co-creation plays a crucial role in influencing consumer engagement. Therefore, many luxury businesses have invested in building co-creative brand communities. Although these experiences occur both inside and outside the service place, little research has examined this experiential process of value co-creation between companies and customers (Merz et al., 2009; Ramaswamy & Ozcan, 2014).

2.4 Consumer Brand Engagement

Consumer brand engagement describes consumers' cognitive, emotional, and behavioural responses when interacting with a brand (Brodie et al., 2013). It is considered critical in influencing consumer behaviour, as it affects how consumers perceive and interact with a brand (Brodie and Hollebeek, 2011). Brands can create entertaining content that captures consumers' attention (Liu et al., 2020) to drive consumer-brand interactions and motivate customers to share their thoughts about the content. Additionally, businesses can keep customers informed by providing their most recent news and products in their social media posts and activities, while also soliciting their feedback

on the brand's performance, suggestions for improvement, and ideas for the creation of new products (Lin et al., 2018).

Consumers' co-creation activities have recently been highlighted as a crucial factor in consumer brand engagement. These activities include sharing consumer-generated content that adds value to the brand, discussing personal needs, suggesting improvements, and proposing product development ideas (Gavilanes et al., 2018; Hollebeek, 2018; Leckie et al., 2016). Engaging in such activities facilitates the establishment of stronger relationships between consumers and brands, ultimately resulting in heightened consumer brand engagement (Hsieh and Chang, 2016).

III. METHODOLOGY

Netnography is a form of ethnography that involves studying online communities, conversations, and interactions to gain insights into their social behaviour and attitudes towards a particular brand or product. Because of its strong link to social media, netnography is considered a crucial practice for studying consumer engagement and purchase behaviour. The aim of netnography is to characterise behaviours, meanings, and language using a combination of qualitative and quantitative techniques to understand the mindset of customers in an online environment (Brown et al., 2002; Dholakia et al., 2004; McAlexander et al., 2002; Schouten and McAlexander, 1995; Sun et al., 2006). Using netnography as a research tool, both brand and consumer posts on social media can be mapped to obtain the trend of online communication.

In the online environment, Instagram is an essential platform for marketing and communication. It allows brands to showcase their products, lifestyle, and values to a wider audience. It is particularly useful to luxury brands, which usually attract a vast amount of user-generated content. Thus, conducting netnography on Instagram posts and videos generated by a luxury brand can provide insights into consumers' perceptions and engagement with the brand, and their motivation to purchase and co-create in the virtual space.

This observational study used netnography to analyse the content available on Instagram. By conducting a search using the keyword "Louis Vuitton Yayoi Kusama", the researcher analysed the top 72 posts, which appeared from December 2022 to March 2023. Among them, 18 posts were from the brand itself and 54 from the consumers.

IV. DATA ANALYSIS

In total, 72 posts were analysed, including 18 brand-generated posts (25%) and 54 user-generated posts (75%).

4.1 Brand-Driven Content

Brand-generated posts covered various content including product launch, celebrity and brand ambassador, the designer Yayoi Kusama, call-to-interaction posts, and retail store look. Product launch themes such as "another massive Louis Vuitton x Kusama collection is coming" or "creating infinity Yayoi

Kusama x Louis Vuitton Milan … AR takes flight" appeared in 56% of the brand-generated posts. They are considered an essential part of the standard operating procedures and practices for day-to-day social media communication by businesses. Social media communication is often used in combination with product description and craftsmanship to promote products and increase sales. The post shown in Figure 1 showcases a product launch and invites consumers to explore the new collaboration's offering, potentially leading to a purchase.

Fig. 1

Louis Vuitton also started to employ the idea of value co-creation as a new brand marketing strategy to engage consumers and create immersive content. For example, 17% of the posts analysed featured popular celebrities to gain consumers' interest. The post shown in Figure 2 shows how brand ambassadors can be used to enhance the brand/collection recognition and create a deeper emotional connection with potential consumers. It features HoYeon Jung holding the product from this Yayoi Kusama x Louis Vuitton collection, which offers a visual presentation of Instagram users using the same product.

Fig. 2

Moreover, brand-created posts may also display the new retail store look to attract consumer visits into the store. In this analysis, the posts calling for integration and displaying the retail store look accounted for 11% of the posts. Furthermore, Louis Vuitton tends to use posts featuring the designer Yayoi Kusama herself to create a stronger sense of connection between the brand and potential online customers. The theme of the designer Yayoi Kusama appeared in 6% of the posts. However, currently, creation-driven themes are only used by less than 20% the brands.

4.2 User-Generated Content

The consumer-generated posts examined encompassed various content, including Louis Vuitton new collection's retail design and window display, outdoor artwork installation, immersive content, comparison with other brands, designer's statue, event picture, pop-up store, product launch, and elements of architectural design. Consumer posts featuring the designer statue of Yayoi Kusama (Figure 3) account for 24% of the user-generated posts but the same theme is only used in 6% of the brand-driven posts. Kusama's distinctive pumpkins (Figure 4) are large and feature mainly neon colours. They have been displayed in several metropolitan cities, including Tokyo and Milan. Such outdoor artwork installations appeared in 21% of the posts and were accompanied with comments like 'spring has spring on 57th Street where contemporary Japanese artist Yayoi Kusama's giant flowers have grown all over the Louis Vuitton facade in a burst of beautiful colours'. New collection's retail design and window display accounted for 17% of the posts. These shop designs featured the motif of Kusama's work to raise awareness of the collaboration and welcome consumers to the immersive experience of this collaboration. The consumer post shown in Figure 5 showcases the striking architecture of

Harrod, the most well-known, high-end department store in London. Users regarded the dynamic form of the statue and its symbolic polka dot pattern as highlighting how Louis Vuitton sets itself apart from other luxury brands in the area. As a representation of the collaboration, users also expressed their enthusiasm for sharing and receiving this eye-catching scene on Instagram. These promotional efforts guarantee that no consumer or passer-by on the street would overlook this collaboration.

Fig. 3

Fig. 4

Fig. 5

Indoor immersive content appeared in 12% of the posts, which included pictures taken within the setting of Yayoi Kusama's artworks. Consumers were given an opportunity to actively contribute to design inspirations and ultimately create their personal experience with the collection and the brand on social media. Comment on architecture Instagram posts such as 'personally, I found this impressive and quite beautiful' only appeared in 7% of the posts. As shown in Figure 6, the user post features immersive content showing her at the Louis Vuitton x Yayoi Kusama exhibition in Tokyo. The artistic design of the displays in the exhibition not only creates an immersive experience for consumers, but also enhances their interaction with the Louis Vuitton brand. This post proves that Instagram users have taken notice of the displays, using the exhibition as an opportunity to capture aesthetic photos to share on the internet, further spreading the brand's influence and reach.

Fig. 6

Moreover, event pictures, pop-up stores and product launch comments appeared in 4% of the posts. However, some comments were negative, for example, 'I'm not sure how to feel about this Louis Vuitton X Kusama pop up. I want to like it but it's not exactly Yayoi Kusama that you are seeing here but just a facsimile of her work'.

V. CONCLUSION AND LIMITATION

Louis Vuitton has successfully employed the concept of value co-creation on social media to promote its collaboration with Yayoi Kusama. Consumers respond actively to value co-creation on instagram by participating in the creation process of a product or service. Such co-creation engagement instils a sense of ownership and fosters a deeper brand loyalty among consumers. Moreover, netnography content analysis revealed that the content appearing on social media for the brand Louis Vuitton is a blend of brand-driven and user-generated content. From a brand perspective, product launches tend to be a focal point for content creation on social media. On the other hand, consumer-generated content on social media tends to focus on designer-related content such as the designer statues outside Louis Vuitton stores, with less consumer-generated content on product launch. This suggests that increasing design-related content would result in a higher consumer engagement rate. Hence, the brand should consider expanding the depth of design-related content to include more design storytelling, inspiration mood board, or immersive AR filter. These strategies would help maximise the value of co-creation on social media.

However, there are limitations to this analysis of social media content. One limitation is that the researcher's reliance on a single social media platform may not accurately reflect the behaviour of the broader consumer population. Another limitation is the use of a small sample size of relevant posts, which may not provide a comprehensive picture of consumer preferences and behaviour.

To overcome these limitations, a series of netnography studies can be conducted using multiple social media channels and Louis Vuitton collections. Additionally, extending the data collection period and utilising multiple keyword searches should be considered. Furthermore, quantitative studies could be conducted to further validate this paper's findings on social media co-creation impact.

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