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**The impact of Social Media Marketing
Efforts (SMMEs) of luxury brands during
the COVID-19 pandemic on consumers'
perception: the case of Gucci**

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Abstract

Purpose - The purpose of this study is to investigate how consumers perceive luxury brands' use of digital channels and disruptive technologies, during the COVID-19 pandemic, to contribute to the literature and create new understandings of the digitalization of the luxury fashion industry.

Methodology/design - An experimental survey was conducted with 108 participants, aged between 18 and 50. For this study Gucci's Instagram followers were approached to participate in the research.

Findings – The study determines the positive impact that SMMEs of Gucci has on consumers' perception of the brand and costumers' response, such as purchase behaviour. However, the analysis demonstrates that it does not influence the loyalty. The results also determine the mediating effect of brand equity between SMMEs and consumers' response.

Research limitations/future research – The limited sample size and convenience sampling might result in a limited generalizability of the findings. Therefore, future researchers might repeat the study to a larger sample, targeting participants on other emerging social media platforms, extending it to the study of more brands. Future studies could also compare the results of the empirical study during the COVID-19 pandemic with the results of a study that analyses a different context.

Practical implications – The results of this paper provide valuable insights for social media managers regarding the way users respond and perceive brands' online communication strategies, and how does their efforts influence consumers' behaviour in a global crisis context.

Originality and value – Building on previous research, this study attempts to examine the ways in which social media marketing efforts (SMMEs) of luxury brands can influence consumers' perception of the brand. This paper aims to adapt and test the theory in the context of COVID-19 outbreak, taking as an example the Gucci brand.

Keywords – COVID-19, luxury brands, social media marketing efforts, brand equity, consumer response, Gucci

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1. Introduction

Social media activities help brands to gain more visibility and build stronger relationships with their customers and drive sales. (Gensler, et al., 2013) Initially, luxury fashion brands were hesitant to use online services and engage with users on social media platforms, as it was considered a contradiction of their goal and a threat that might destroy the perception of “exclusivity” and “rarity” of the luxury industry. However, with the development of technology, it was almost impossible for the luxury industry to stay out of the social media world. Nowadays we can notice that most luxury fashion brands embrace it rather as an opportunity than a threat. It is saying that by 2025, 20 percent of all luxury products will be purchased online, and internet channels will impact 80 percent of all sales. (Achille, et al., 2018) The literature generally encourages engaging in social media activities, even though there is limited information about success the drivers of luxury brand communication and how to project an effective brand message on the internet. (Mandler, et al., 2020)

Referring to the context of the COVID-19 pandemic, a global crisis that affected the whole world, this study proposes to help future researchers to understand the dynamics of social media marketing in terms of the efforts of the luxury industry. As the pandemic outbreak closed everyone in their houses, so did the physical stores. Thus, luxury brands were not an exception. Nevertheless, physical stores represent an important touchpoint for luxury industry, providing a unique customer experience, besides the goal of driving sales. Moreover, a study found that 63 percent of Generation Z respondents prefer physical-stores shopping to online channels, because they offer a better and more personalized customer service and shopping experience (RetailWeek, 2019). However, the omnichannel sales approach, that most of the brands were already adopting before the COVID-10 outbreak, seems to be an optimal solution for combining online and in-store sales. However, it is during uncertain times that businesses are mostly forced to come up with new opportunities and innovative ideas, converting the crisis in new opportunities and quickly adapt to the emerging situations.

Hence, this situation captured the interest of the author to research this topic and contribute to further investigations. The objective of this study is to investigate how the social media efforts of luxury brands affect the consumers’ perception during the COVID-19 pandemic. This thesis takes as an example the Gucci brand case. The brand of Gucci was primarily selected for this study based on its prominence in social media interactions and its follower base.

As it was one of the objectives to assess social media marketing's influence on different customer populations, this research targeted a fairly distinct customer population. This sample allows us to better generalize the distinct group of populations' research results.

A quantitative survey was designed for this study, targeting consumers and followers of the Gucci brand in social media marketing. The users who follow Gucci's Instagram page were approached for this analysis and the total number of respondents was 108 participants.

For this research, participants were exposed to few Instagram posts that the brand has posted on their Instagram account during the pandemic. These posts were directly related to the quarantine period and reflect the moments of self-isolation and closeness with the family. Furthermore, the pictures exposed to participants reflected the idea of the brand trying to expose their humanitarian and philanthropic side, as well as the attempt to empathize with the followers and use their creativity. Thus, respondents were asked to take into consideration the Gucci Instagram page and the displayed images before taking completing the questionnaire.

For this academic work, "SMMEs", "brand equity" and "consumers' response" scales were selected as measurement instruments subjected to numerous replications, and which demonstrated their international statistical stability (Table 1). The participants were asked to express their opinions and evaluations on a classic seven-point Likert Scale.

The rest of this paper is structured as follows, it starts with the theory section including a literature review of the main concepts, followed by the description of the background theory and hypothesis development. Next, the methodology and results are described. Finally, the discussion, theoretical and managerial recommendations, limitations, and future research proposals are presented.

2. Theoretical Background

2.1 Problem

COVID-19 pandemic is a global crisis that has changed the whole world in many aspects. Thereby, the market of the luxury brand was not an exception. According to the Digital 2020 report, social media users have grown by more than 10% during 2020. (Kemp, 2020) For months people were not able to travel, therefore there has been a collapse in inbound tourism all over the world during the lockdown. Consequently, physical stores were suffering major falls in sales. Furthermore, almost all fashion events and runaways planned for 2020 were either

postponed for the next year, either cancelled at all. And only few brands resorted to the virtual format. Therefore, firms were forced to redirect and concentrate their communication strategies mostly through digital channels, and specifically social media platforms.

As people were forced to stay home, online sales have increased with +209% globally during the first half of 2020. (ACI Worldwide, 2020) Although in the beginning the luxury sector was hesitant in adapting to the digital revolution, brands have done huge investments to be in line with disruptive technologies. (Deloitte, 2020)

Thus, the changes brought by the coronavirus pandemic have had a major impact on people's lifestyles, inevitably also influencing their purchase behaviour. However, many brands have quickly adapted to the new situation, by facing the challenges and changing their communication strategies. Still, it is a big question whether the social media marketing efforts of luxury brands during COVID-19 have been effective. The author of this study aims to contribute with new knowledge and insights to this problem. Furthermore, the author also intends to contribute to research that favours the social media marketing efforts of luxury brands of future crisis events.

2.2 Research questions

Based on the problem and purpose of this thesis, the following research questions will be addressed:

RQ1: How did Gucci's Social media marketing efforts influence consumer-based brand equity (CBBE) during COVID-19 pandemic?

RQ2: How did Gucci's Social media marketing efforts influenced the purchase intention and brand loyalty?

2.3 Global economic crisis

Crises are characterized by low probability, high consequence events that put at risk the main goals of an organization. (Weick, 1988) *Global crises* have no borders and include human threads, such as wars, world poverty, inequalities, forced migration, and fast-moving pandemics. (Cottle, 2008)

An economic crisis can have various negative effects on a firm. For instance, it can narrow the achievement of organizational objectives. (Bundy, et al., 2016) Such events can

easily destroy a whole activity of a company and its employees, as well as its financial resources. (Hertati, et al., 2020) Furthermore, many firms are forced to reduce the production process due to low demand and high competition in the market. (Köksal & Özgül, 2007) Sometimes, in these situations, businesses have no choice but to close their activity. (Savi & Zehir, 2004)

Regarding the consumers' buying behaviour, during an economic crisis, they also change and adapt their habits to the changes in the economic conditions. (Köksal & Özgül, 2007)

A well-functioning crisis management system requires both governance capacity and credibility. However, the choice between capability and legitimacy is frequently challenging, but it is also a dynamic connection. Capacity is necessary, but companies must also embrace crisis-management methods and follow government advice and directions. (Boin & Bynander, 2015)

2.4 COVID-19 pandemic

There are controversies regarding the definition and the meaning of a pandemic. (Morens, et al., 2009) Historically speaking, a pandemic is characterized by several most important aspects: wide geographic extension; widespread person-to-person spread of diseases; high attack rates and explosiveness, which means multiple cases appearing within a short time; minimal population immunity; novelty- that is used to describe new diseases or the ones associated with new variants of existing organisms; infectiousness; contagiousness; severity, the word "pandemic" being applied to severe or fatal diseases. (Morens, et al., 2009)

The International Epidemiology Association's Dictionary describes a pandemic as an epidemic that is spread worldwide, even across the borders and that is affecting a large scale of people. (Porta, 2008) Social scientists have acknowledged that disasters, especially when the tragic consequences emerge with stable steps, they have the tendency to accelerate processes of social change. (Cohen, 2020)

COVID-19 was brought to the world's attention in January 2020. The number of confirmed cases increased dramatically as the virus started to be spreading very quickly, and, therefore, has made the Chinese government concerned about the situation. On January 23d, 2020 the Chinese government has put in lockdown the entire city of Wuhan, and one week later WHO has declared the outbreak in China to be a public health emergency of international concern (PHEIC). (Zhang, et al., 2020) On March 11th 2020, the World Health Organization

(WHO) officially declared the coronavirus (COVID-19) outbreak to be a global pandemic. (World Health Organization, 2020)

The initial COVID-19 emerged in the same period as the Chinese Lunar New Year, which is a traditional festival and is recognized by high consumption levels. (Liu, et al., 2020) This festival is also known as a period in which Chinese families are travelling and doing shopping. Therefore, this crisis has had a big impact on people's plans and their consumption behaviour.

COVID-19 is simultaneously a public health emergency and a real-time experiment in downsizing the economy. (Cohen, 2020) The virus is having a devastating impact worldwide, therefore, many countries had to take drastic measures and literally closing down the schools and businesses. There have been a lot of contradictions regarding the lockdown, as some opinion leaders said it would be better to fight the virus without any restrictions, and others, arguing that strong measures are inevitable in order to get out of this crisis as soon as possible. As per some researchers and epidemiologists, coronavirus is not worse than ordinary season flu, therefore, giving too much attention to these health concerns in the crisis might cost too much to society, from the economic and social point of view. (Lund, 2020)

Studies showed that this change led to the inclination of purchasing only the most essential stuff rather than emotional and hedonic goods and services in order to save money, as well as people's proclivity to postpone significant life decisions (Lai, 2020). Unlike other past economic crises, COVID-19 had a bigger impact on changing people's behaviour. Many people will review their priorities in purchase decision, including luxury goods. This is due to the proclivity of Generation Z and Millennials to contribute to sustainability by adopting more ethical and responsible lifestyle and being more aware of the origin and provenance of the goods they are buying (Deloitte, 2020).

2.5 Luxury Brands

Luxury is a complicated and multifaceted term that has many definitions, ranging from traditional definitions such as "its connection with pleasure and satisfaction of individual feelings through objects or experiences that are more snobbery than ordinary" to new definitions such as "its relation to society and the level of culture and civilization of those people," and is currently being debated. (Okonkwo, 2010) Since the 1980s, the luxury market has expanded at a rate of around 10 percent per year, far outpacing the global economy. (Heine,

2012) Dubois et al. define “luxury” as excellent quality, very high price, uniqueness, aesthetics, ancestral heritage, and personal history. (Choo, et al., 2012)

The *luxury brands* stand out from the mainstream ones with a reputation of exclusivity and high-end quality. (Prentice & Loureiro, 2018) Luxury brands combine quality, authentic and hedonic factors in a way that appeals to the emotional and self-worth values of a consumer, which enhances their social value and inserts the desire to possess the luxury brand products. (Dubois, et al., 2001)

As luxury items are comparatively more expensive than non-luxury products, consumers’ behaviours are often reflected in their intensive involvement with the brand through engaging with the brand community either online or offline. (Prentice & Loureiro, 2018) Besides status and the object itself, luxury is also about the relationship with customers, and the pleasure it can provide. (Dion & Arnould, 2011) Luxury implies human connection, firstly, because the goods are handmade, and secondly, because of the exclusive personal service they provide. (Kapferer, 2009)

The logo, name, products, personnel, the environment in which the brand is involved, such as physical stores, the web and its presence in social networks, advertising, the company’s reputation, and how the public perceives it is all part of the brand. (Bastien & Kapferer, 2012)

For interdependent consumers, gaining prestige is the primary purpose of luxury purchasing, whereas consumers with an independent self-concept prioritize hedonism, utilitarianism, and self-communication. (Kastanakis, 2014)

In the last 10 years, the luxury goods rate of growth has increased significantly. (Fionda & Moore, 2009) One of the factors motivating this growth is represented by the number of individuals that seek luxury brand consumption. Therefore, in response to the high demand, the luxury brands have created business strategies that allow them to increase availability and expand the geographic coverage and market accessibility.

Brand love is conceptualized as the “degree of passionate emotional attachment a satisfied consumer has for a particular trademark” (Carroll & Ahuvia, 2006) It includes a passion for the brand, attachment to the brand, positive evaluation of the brand, positive emotions in response to the brand, and declarations of love for the brand. (Carroll & Ahuvia, 2006)

According to a study, the difference between brand love and satisfaction is that brand love is not conceptualized as a cognitive judgment, it rather has a much stronger affective focus. Usually, brand love comes from a long-term relationship with the brand, it involves the integration of the brand into the consumer’s identity. (Carroll & Ahuvia, 2006)

2.6 Gucci brand and history

Gucci is one of the world's most recognizable and influential luxury brands, a truly global reference for fashion and accessories as well as a model for a modern, inventive corporation. (Kering, 2021)

The history of Gucci has started with its founder – Guccio Gucci, born on March 26, 1881, to a modest Italian artisan. He was a porter at the Savoy hotel in London when he first became fascinated with enormous luggage that the guests arrived with from all over the world. This has inspired him to turn back to Florence to work for Franzini, a high-end luggage company, as a way of paying honour to his ancestors. (Silver, 2019)

Gucci started his business creating accessories for horseback riders, all of which were made from the best Italian leathers. As he extended into the field of accessories, his designs grew in popularity, and English nobles became big fans of the new label. Even nowadays this equestrian symbol can be found in Gucci's modern creations, including the famous horse-bit feature, and the red and green woven stripe, inspired by saddle elements.

Among the luxury brands, the Gucci emblem could be probably considered one of the most identifiable. (Highsnobiety, 2021) Guccio Gucci's son Aldo Gucci, joined the company in 1933 and created the logo for his father. The two Gs are a clear homage to Guccio Gucci's initials- an artistic and memorable method to reflect the founder's significance in a visually ageless manner.

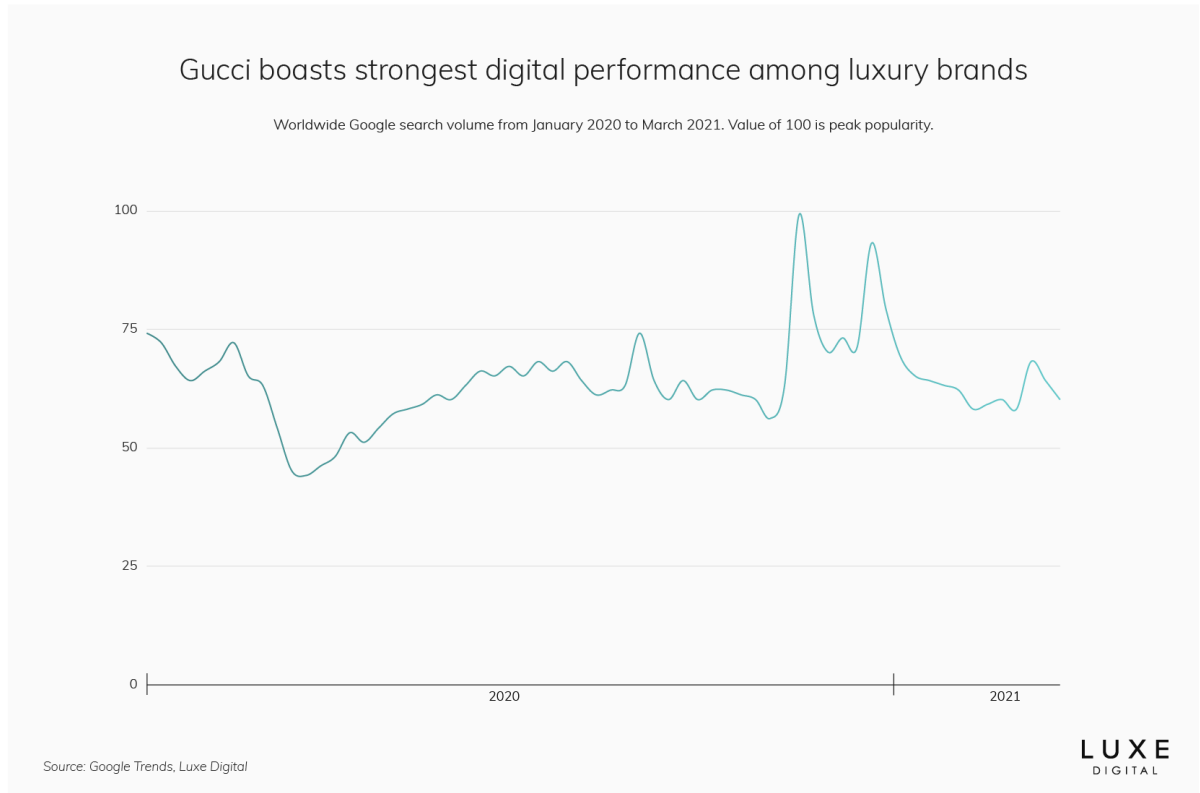
Gucci's current mission is to redefine luxury for the twenty-first century, a goal that the brand's Creative Director, Alessandro Michele, and CEO, Marco Bizzarri, have been pursuing since 2015. Michele's distinctive vision, which is colourful, romantic, poetic, and mystical, has received widespread critical acclaim while also forging an honest emotional bond with younger clientele. (Kering, 2021)

Michele's diverse approach, informed by an intellectual interpretation of cultural and fashion history, skilfully merges dandyism with the Italian Renaissance, a gothic aesthetic, and a DIY punk attitude. Gucci can take a radically modern approach to fashion now more than ever thanks to charisma, invention, and commitment to growth. (Kering, 2021)

Today, Gucci, along with other famous brands such as Balenciaga, Yves Saint Laurent etc. is part of fashion conglomerate Kering, which is controlled by French billionaire Francois Pinault. In 2020 Gucci was listed as #31 World's Most Valuable Brand (Forbes, 2020). Moreover, the brand was ranked as #1 the most popular luxury brand online in 2021. It had a

drop in revenue with a 22.7% in 2020, while online sales have continued to grow up to 70% (Digital, 2021)

Figure 2.1 Online interest for Gucci over time



In terms of sustainability, Gucci claimed in 2019 to have achieved 100% carbon neutrality in its supply chain, as well as its operations, investing in third-party certified offset projects (Vogue Business, 2020).

During the COVID-19 crisis, Gucci created a new app for its customers, that includes digital features such as video games, stickers, AR virtual try-on and “interior decorating” capabilities. Moreover, the brand announced its Spotify playlists with “music to cook” for people in self-isolation or quarantine (Deloitte, 2020).

2.7 Social Media Marketing

Social media refers to “a category of internet-based apps that builds on the conceptual and technological foundations of Web 2.0 and that permits the creation and exchange of user-generated content. (Kaplan & Haenlein, 2010) As of its interactive features, it is recognized as one of the most significant communication platforms for brand information because it allows

participatory, collaborative, and knowledge-sharing activities. (Knoll, 2016) A social media application program, platform, or media is described as an online application program, platform, or media that facilitates interactions, collaborative work, or content sharing. (Alexander Richter, 2007) Social Media has an important role for a firm, as it establishes a relationship with customers through marketing activities and it allows accessing customers. (Louise Kelly, 2013)

Technology is constantly evolving and innovating; therefore, it benefits the fashion industry by facilitating the interaction between customers and brands. In the beginning, most of the brands were hesitant to use technology, especially things as blogging, tweeting, or other social media trends. However, the industry changed its point of view and now technology is considered an opportunity rather than a threat. (Angella J. Kim, Eunju Ko, 2012) Many businesses are turning to social media for external advertising, marketing, customer management, and internal employee communications as it becomes increasingly convenient and necessary. Furthermore, social media communities are considered to be effective because users are willingly deciding to follow some brands on those platforms, which is an opportunity for brands to easily identify the consumers that are interested in their products and want to interact with their content and engage with their promotional information. (Laroche, et al., 2012) Social media provides marketers with outstanding opportunities to reach customers in their social communities and build more personal relationships with them. (Louise Kelly, 2013) A luxury brand using social media platforms entertains customers by offering a variety of free content as well as social network activity and enables customized information searching. (Kim & Ko, 2012) Businesses are increasingly communicating information about their brands through SMM activities, such as advertising on social networking sites (e.g., Facebook, Instagram, TikTok), blogger endorsements, and managing user-generated content, all with the goal of establishing strong and favourable brand knowledge in the minds of consumers. (Keller, 2013)

Another benefit the brands can get through the use of social media platforms is the data they can collect and analyse as a consequence of users' interaction. (Bazi, et al., 2020) Contrary to existing marketing activities that attract directly to the value of actual products or services, a luxury fashion brand's SMM activities focus more on hedonic and empirical values that can be reached by indirect brand experience. (Kim & Ko, 2012) Brands are more aware that social media is becoming a part of our daily life, which makes them acknowledge more the importance of building a closer relationship with their customers. Moreover, brand-generated content attracts new customers and influences their positive attitude towards the brand.

(Chwialkowska, 2019) People regard social media as a more trustworthy source of information than the traditional instruments of marketing communications used by companies. (Manfred Bruhn, 2012) Unlike previous projections, social networking does not work against a brand's good reputation. Interaction with customers on social media platforms like Instagram, TikTok, or Facebook fosters favourable attention, if not fondness, for businesses and increases customer's demand for luxury. (Kim & Ko, 2012)

The trend of consumers becoming fans of brands on social media platforms and using social media as an increasing source of information about brands leads to the assumption that social media in addition to traditional marketing communication instruments exerts an important impact on a brand's success. (Manfred Bruhn, 2012)

Given SMM's potential, establishing consumer-brand interactions in a social media world has become a major concern for businesses. (Ismail, 2017) One important first step in tackling this issue is to recognize that depending on which features are used, SMM can incorporate a variety of tactics, including *entertainment*, *customization*, *interaction*, *e-WOM*, and *trendiness*. (Cheung, et al., 2019)

2.7.1 Entertainment

As an SMM aspect, *entertainment* represents the experiences designed by marketers through social media platforms that are perceived by customers as fun and playful journey. (Agichtein, et al., 2008) Consumers can enjoy their experience on social media by participating in entertainment activities such as games, video-sharing, and contests, which motivates them to be involved in social-media-based brand communities. (Ashley & Tuten, 2015) For instance, some scholars define entertainment as a powerful drive for consuming user-generated content (UGC) (Shao, 2009) According to (Muntinga, et al., 2011) entertainment is the main driver of users to engage in social media activities. The reason behind this impulse is the isolation from the quotidian routine and relaxation. (Manthiou, et al., 2013)

Entertainment is an important aspect of a company to be successful in their daily activities, but, also, in their services and relationship with customers. (Redman & Mathews, 2002) According to some researchers, there is a relationship between the entertainment level in the use of social media and customers' motivation to continue navigating on social media. (Cha, 2009) Moreover, entertainment was proved to have the strongest impact on creating SMM activities and counts for the highest loading, enhancing, and stimulating brand love. (Algharabat, 2017)

2.7.2 Interaction

Social media *interaction* is significantly changing brand-customer communication. (Gallaughner & Ransbotham, 2010) Some scholars define interaction as an exchange of opinions with others through the share of information. (Godey, et al., 2016) It represents the extent to which social media platforms allow for two-way opinion exchange and information sharing. (Dessart, et al., 2015) This allows consumers to share opinions with peers with a similar mentality on social media networks. (Muntinga, et al., 2011) Interaction has changed the way communication between brands and consumers works on social media, (Gallaughner & Ransbotham, 2010) and it can be divided into two groups: profile-based activities and content-based activities. (Zhu & Chen, 2015) The first one centres on individual members, such as Facebook, Twitter, Telegram, and others. While the second one is focusing on social media discussions and other consumer-friendly content, such as Instagram, YouTube, Pinterest, etc. Posting content that is relevant to their target social media users fosters debate and strengthens consumer-brand ties. (Manthiou, et al., 2013) Technology has facilitated the interaction between customers and brands in a casual way, which led to building a stronger relationship, as well as keeping the consumers updated and informed about the brand. (Kim & Ko, 2010)

2.7.3 Word-of-mouth

Word-of-mouth (WOM) represents the scale on which users share information and upload brand-related content on social media. (Godey, et al., 2016) According to (Chu & Kim, 2011) WOM can be classified into three categories: opinion-seeking, opinion-giving, and opinion passing behaviour. The opinion-seeking are the ones searching for the information and sharing it with others.

WOM behaviours of consumers are established as a result of commitment, which is a positive emotion. (Amine, 1998) Consumers seek information online provided by previous users to study information and reduce tension before acquiring items or services, hence e-WOM has long been considered an influential marketing tactic. (Bickart & Schindler, 2001) e-WOM is an online exchange of service evaluations that differs from traditional WOM in several ways. (Baretto, 2014) E-WOM marketing represents any statement made by a customer (or a potential one) regarding a product or service, or a company through the Internet. (MajlesiRad & Shoushtari, 2020)

Social networking is a great tool for people to access all kinds of information about their favourite brands, especially the luxury ones, and share their experiences with others online. Therefore, taking into consideration the power of electronic word-of-mouth interactions, it is essential for each company to analyse and keep the track of the impact on the tendency toward luxury brands, in order to have a competitive advantage. (MajlesiRad & Shoushtari, 2020) Social media makes a perfect tool for e-WOM because customers develop and share brand-related information with their friends, peers, and other acquaintances without any limits. (Godey, et al., 2016)

Before making their buying selections, consumers are more prone to seek out the advice of others. As a result, online word of mouth has a huge impact on purchasing decisions. (Chen, et al., 2011) On social networking platforms, opinion seekers are seeing recommendations from friends and colleagues as trustable and reliable information, and therefore, they rely on social media platforms to help them in their purchase decision. Nevertheless, social networking sites represent a platform where opinion leaders can express their impression towards a product, service, or brand, and share it with other consumers. (Chu & Kim, 2011) Activities on the brand's social media platforms stimulate word-of-mouth effects by the interaction among users. (Kim & Ko, 2012)

2.7.4 Trendiness

Trendiness is considered the fourth most important element impacting SMM activities, as consumers are motivated to share the latest and trendiest information about the brand. (Algharabat, 2017) The majority of customers are expecting brands to ensure that products are meeting their trendy lifestyle needs. (AsniraZolkepli & Kamarulzaman, 2015) Now that online platforms allow people to access more information than the one provided only by the salesperson in a physical store, people seek to look for the latest trends that match their tastes and are going viral among their peers. (Forbes, 2017) According to (Muntinga, et al., 2011) trendiness represents the level at which social media is able to provide trendy information through surveillance, knowledge, pre-purchase information, and inspiration. It is also described as the spread of the latest and trendiest information about the brand. (Godey, et al., 2016)

2.7.5 Customization

The process of changing, personalizing, and tailoring things to meet individual preferences is known as *customization*. (Wang & Li, 2012) Some studies proved that

customization represents the last significant construct to affect SMM activities. (Algharabat, 2017) According to (Godey, et al., 2016) customization is the dimension of social media to provide a personalized information search and customized service. Individualized service caters to individual preferences, strengthens brand affinity, and ensures customer loyalty. (Godey, et al., 2016) Post customization might be divided into two types: customized messages and targeting a specific target audience that eventually target interested users. (Zhu & Chen, 2015) Rather than trying to appeal to the entire public, luxury brands focus their products and services on specific consumer needs and desires. Gucci, for example, uses customized web messaging to target clients to introduce bespoke merchandise. (Chunga, et al., 2020)

2.8 Brand Equity

Brand equity is an essential marketing asset that facilitates the relationship between the firm and its stakeholders and nurtures long-term buying behaviour. (Christodoulides, 2010) It is defined as a set of assets and liabilities associated with a brand, its name, and its symbol that add or subtract value from the value provided by a product or service to a company and/ or its customers. (Aaker, 1991) Some important characteristics of high brand equity are the preferences for the brand, the purchase intentions, as well as high stock returns. (Cobb-Walgren, et al., 1995) Consumer-based brand equity (CBBE), a method of understanding brand equity from the consumer's point of view, indicates how strongly consumers are attached to, loyal to, and aware of admired brands. (Yoo & Donthu, 2001) Furthermore, brand equity has the power to add value to the firm by generating incomes through promotion, attracting new customers, but also, entertaining the existing ones. (Aaker, 1991) Strong brand equity represents a barrier for competitors. (Aaker, 1991) Moreover, various studies have proven the positive relationship between customer satisfaction and the willingness to buy the brand (Eagly, 1993) and the influence of brand loyalty on purchase intention. (Jacoby, 1978)

Today, powerful fashion houses, such as Gucci are leveraging RFID, trend forecasts and monitoring activities on social media to track brand equity (Risnews, 2018).

2.8.1 Brand awareness

Brand awareness is composed of two important elements: brand recognition, which occurs at the point of purchase, and brand recall- before purchase. (Percy & Rossiter, 1992) Brand awareness represents the extent to which a brand name is recognized and associated with products brands in consumers' minds, despite the product class. (Hellofs & Jacobson, 1999)

According to some researchers, brand awareness is likely to have a positive impact on quality perceptions. Furthermore, it positively influences the association with price fairness through quality perceptions. (Haemoon, 2000)

Brand awareness occurs as a result of a consumer being frequently and memorably exposed to the brand. (Aaker, 1991; Kim, et al., 2018) The exposure is characterized not only by different kinds of advertising but also by the general experience with a brand, including every time a customer sees the logo, brand name, or slogan. (Cheung, et al., 2019) It is likely for a customer to purchase products from a brand they are already familiar with because it seems more reliable and has a big advantage in comparison to an unknown brand. This represents a big advantage especially in the phase of consideration, as an unknown brand has fewer chances to be chosen. (Aaker, 1991)

2.8.2 Brand image

Brand image is the consumers' perception of a brand as reflected by the brand associations they have in the memory (Keller, 1993) and what differentiates it from the competitors. (Webster & Keller, 2004) While brand identity represents how companies want their brand to be perceived, the brand image reflects how a brand is actually perceived by customers. Brand image has a big impact on consumers' brand preferences (Cobb-Walgren, et al., 1995) and future profits (Chen & Chang, 2008) by making it possible for the brand to charge a premium price. (Persson, 2010) According to (Keller, 2013) the primary option in a decision-making process of a customer are always companies with a better brand image.

2.8.3 Brand Loyalty

Brand loyalty represents the level of attachment of a consumer to a brand in particular. (Liu, et al., 2012) Brands need to focus more on strengthening the relationship with their existing customers for the long term since weakening the loyalty is very likely as a result of a myriad of alternatives on the market. (Kim & Ko, 2010) Firms need to pay especially attention to responding when competitors innovate and obtain product advantage. Furthermore, it takes a lot of effort for competitors to attract satisfied customers of other brands. That's why it is so important for firms to focus on loyalty, as it is a strong competitive advantage. However, loyal customers mean also high expectations in terms of quality, availability, and the brand experience in general. (Aaker, 1991)

2.8.4 Purchase intention

Purchase intention represents the consumers' willingness and the possibility of making a purchase. (Kim & Ko, 2012) It measures the consumers' future contributions to a brand. (Kim & Ko, 2012) According to some studies, purchase intention is strongly related to the consumers' perceived value about a brand and their satisfaction with a product. (Chen & Lin, 2019) Purchase intention is sometimes used to measure consumers' behavioural intention. (Fishbein & Ajzen, 1975) The higher is the willingness to purchase, the higher is the probability of a consumer to effectively make the purchase. (Chen & Lin, 2019) Purchase intention is highly influenced by the social media marketing activities of brands. (Chen & Lin, 2019) There's also a strong interdependence between customers' trust in reference to a brand and purchase intention. The trust is gained during the interaction between users, but also between users and brands on social media. (Kim & Ko, 2010)

As physical stores were generating around 90% of sales before COVID-19, luxury brands need to rethink their marketing strategy and analyse big data to understand consumers' behaviour (Deloitte, 2020).

3. Conceptual framework

3.1 Approach to literature review

The literature provides empirical data for the benefits of social media activities of luxury brands, in general. For instance, (Kim & Ko, 2010) studied the impact of consumers' perception of luxury fashion brands' social media marketing activities on their connection with the brand and purchase intention. The authors defined five factors highlighting the concept of social media marketing for luxury brands and the positive interdependence with the variables of interest. Therefore, they identified: entertainment, customization, interaction, word-of-mouth, and trendiness. Reviewing existing relevant material is an important aspect of any academic endeavour. (Webster & Watson, 2002) The literature review for this thesis was conducted using a concept-centric technique, with the goal of synthesizing relevant material on the subject. (Webster & Watson, 2002) Further, to gather the first insights on persuasion on websites, Google scholar and Ca' Foscari University's online library were accessed. Besides these search engines, different journal databases such as Research Gate, Science Direct, and Scopus were used to access peer-reviewed articles and conference proceedings.

3.2 Hypotheses development

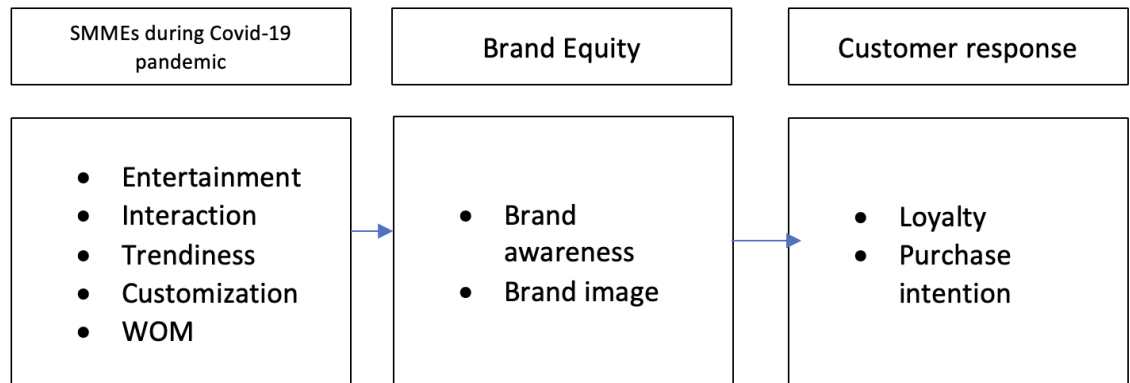


Figure 3.1. Conceptual model

This research contributes to prior literature by offering a comprehensive framework that shows how social media marketing efforts influence brand equity and consumer response toward the Gucci brand. This study will contribute to the previous research by adapting the empirical exercise in a different global context, the COVID-19 pandemic.

Therefore, to examine how social media marketing efforts (SMMEs) of a luxury brand influence the loyalty and purchase intention of a user, a framework of the study based on the theories and models presented above has been created for this thesis. The framework is presented in *Figure 2*, followed by a detailed discussion on each of the model's constructs and the hypotheses formulation.

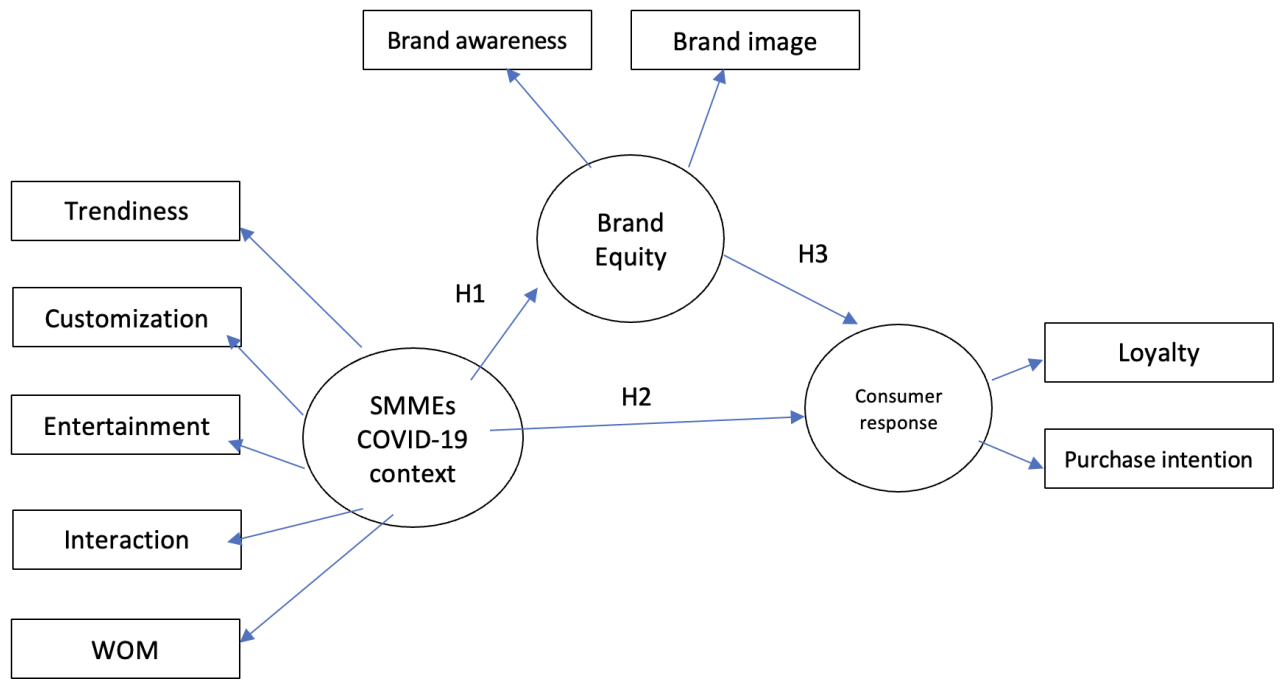


Figure 3.2. Proposed research framework

This study aims to examine the influence of social media marketing efforts on consumers' responses through brand equity creation. The research proposes to analyse the customer perception of a luxury brand in the context of a global crisis. The objectives of this paper are to fill the gap in previous research and to particularly: (1) *measure the relationship between social media marketing efforts, brand equity, and customer perception of the brand*; (2) *evaluate the relative importance of the components of social media marketing efforts (SMMEs) in terms of creating value and purchase intention*; (3) *analyse the main components of brand equity creation in SMMEs*; (4) *measure the effect of SMMEs and brand equity on creating brand loyalty, brand preference, and on purchase intention of the customer*.

This empirical study examines Gucci as an example of a luxury brand that actively shaped its strategy to the context of the COVID-19 pandemic and was very active on social media during this period, engaging with its followers and constantly sharing relevant content. Therefore, the following hypotheses were developed:

Hypothesis 1: Marketing efforts of Gucci on social media (SMMEs) during COVID-19 pandemic have a positive and direct influence on consumer-based brand equity (CBBE)

Hypothesis 2: Marketing efforts of Gucci on social media during COVID-19 pandemic have a positive and direct influence on the purchase intention and brand loyalty.

Hypothesis 3: Brand Equity has a mediating effect on the relation between marketing efforts on social media and consumer response during the COVID-19 pandemic.

4. Research Methodology

4.1 Research philosophy

The research philosophy is the first thing to be taking into consideration when developing the research design because it summarizes the researchers' assumptions and points of view. The research philosophy chosen is determined by the research question to be addressed. As a result, research methods and strategies are dictated by the research philosophy. (Saunders, et al., 2009)

Ontology, epistemology, and axiology are three perspectives in research philosophy. The study of ontology is concerned with the nature of reality and how things exist. Epistemology is concerned with the nature of knowledge and what constitutes knowledge. The branch of axiology that analyses value, or what is valued in the context of the study, is known as axiology. (Babin & Zikmund, 2016)

The five big philosophies of business studies are positivism, critical realism, interpretivism, postmodernism, and pragmatism. (Saunders, et al., 2009) The term positivism relates to the value of what is "posited" - that is, "provided." This emphasizes the positivist emphasis on using a rigorously scientific empiricist method to produce pure data and facts free of human interpretation or bias. (Saunders, et al., 2009)

Positivist research is the best fit for using an existing theory and developing new hypotheses that might be tested, and, therefore, serve as information for further research. This philosophy uses a structured methodology, and the emphasis is based on quantifiable observations that lend to statistical analysis. (Saunders, et al., 2009) For the reasons mentioned above, keeping in mind the objectives of this study, the positivist philosophical approach has been chosen.

4.2 Research approach

There are three main approaches to theory development: deductive, inductive, and abductive. The inductive approach starts with data, as the author introduces their findings into theory. (Bryman, 2012) Deductive reasoning is when a conclusion is logically deduced from a collection of theory-derived premises, with the conclusion being true if all the premises are true. On the other hand, the abductive approach occurs with a “surprising fact” which represents a conclusion rather than a premise. (Ketokivi & Mantere, 2010)

Deduction is the most common method in natural sciences, and it is related to positivist philosophy, hence it is the best method for this research.

This study employs a systematic technique to aid replication and data reliability, as well as a generalization, which is a key feature of deduction. (Malhotra & Birks, 2007) Finally, information should be operationalized and methodologically structured, which is a key property of deduction. This necessitates the use of quantitative measurements. (Gill, et al., 2010) Furthermore, this study will use the quantitative approach to collect primary data, which aims to quantify data, requiring statistical analysis and often the use of controls to ensure the validity of data. The qualitative approach, on the other hand, favours unstructured data, small samples, and an exploratory strategy.

4.3 Research design and strategy

The research design is the strategy or framework for responding to the research question, and it might be exploratory, descriptive, explanatory, or evaluative. (Saunders, et al., 2009) This study aims to find out how social media marketing efforts affect the perception of customers. Therefore, to meet the objectives of this study, an exploratory approach is used with the purpose to see the causal relationship between the variables presented in the study framework.

Based on the research topic and approach of the current study, survey research was chosen. Surveys are popular because they allow for the collecting of data from a large number of people in a systematic manner, allowing for easy comparison and analysis. (Saunders, et al., 2009) The gathered data from a survey is standardized, and can be used to “suggest possible reasons for particular relationships between variables” (Saunders, et al., 2009)

4.4 Data collection method

4.4.1 Questionnaire design

To be able to test the hypotheses, an online experimental survey was conducted, using Gucci's official Instagram account as the stimulus. Online survey tools encourage a user-centred approach of information creation and flow. (Buchanan & Hvizdak, 2009) When a participant of the survey is filling the questionnaire, the researcher is not present during the procedure, making the process much more transparent. (Babin & Zikmund, 2016)

In the experimental survey, the social media marketing efforts were presented in the form of pictures, exposing the messages Gucci was communicating to its followers during the COVID-19 pandemic.

To ensure an online anonymous gathering of data, the survey was created using the online platform Microsoft Forms.

The participants of the survey were chosen among the people already familiar with Gucci's Instagram page. However, before filling the questionnaire, participants were asked to browse through Gucci's Instagram account and look carefully at the exposed images in the survey.

4.4.2 Measurement of constructs

The term "reliability" relates to a measurement's consistency or stability. (Gidron & Bonikowski, 2013) For this research a seven-point Likert scale was used, ranging from *Strongly disagree* to *Strongly agree*, because it provides a larger spectrum of choices and a more precise option to a participant, in comparison to a five-point Likert scale, for example. Therefore, it increases the chances of meeting the objectives of the study. (Joshi, et al., 2015)

The applicability of the topic in question, in the context of respondents' understanding, and determined by the developer of the response item, delimit the validity of the Likert scale. (Joshi, et al., 2015) Validity refers to how generalizable a study's findings are and how well they can be used in diverse situations. (Saunders, et al., 2009)

Consumer perceptions of Social Media Marketing activities were measured using a broadly applied instrument, (Kim & Ko, 2012) which features also a multifaced 11-item structure, with 5 dimensions in the first place (Polites, et al., 2012): *entertainment, interaction, trendiness, customization, and word-of-mouth*. (Godey, et al., 2016) As for brand equity, it was measured using the most appropriate scale (Yoo & Donthu, 2001) in social media marketing research. The study will analyse *brand awareness* and *brand image*.

Table 4.1 Measurement Scales Used

SMMEs

Entertainment

1. Using Gucci brand's social media is fun
2. Content of Gucci brand's social media seems interesting

Interaction

3. Gucci brand's social media enable information-sharing with others
4. Conversation or opinion exchange with others is possible through Gucci brand's social media
5. It is easy to provide my opinion through Gucci brand's social media

Trendiness

6. Content of Gucci brand social media is the newest information
7. Using Gucci brand's social media is very trendy

Customization

8. Gucci brand's social media offer a customized information search
9. Gucci brand's social media provide customized service

Word-of-mouth

10. I would like to pass information on brand, product, or services from Gucci brand's social media to my friends.
11. I would like to upload content from Gucci brand's social media on my blog or micro blog.

Brand Equity

Brand awareness

12. I am always aware of Gucci brand.
13. Characteristics of Gucci brand come to my mind quickly
14. I can quickly recall the symbol or logo of Gucci brand

Brand image

15. Gucci brand is leading luxury company
16. Gucci brand has extensive experience
17. Gucci brand is representative of the luxury industry
18. Gucci brand is a customer-oriented company.

Consumer Response

Brand loyalty

19. I will suggest Gucci brand to other consumers
20. I would love to recommend Gucci brand to my friends
21. I regularly visit Gucci brand
22. I intend to visit Gucci brand again
23. I am satisfied with Gucci brand with every visit
24. Gucci brand would be my first choice.

Purchase intention

25. I would consider Gucci as one of my first choices to buy a luxury brand item
26. I would buy from Gucci store in the future

4.4.3 Sampling and distribution

Participants for the study were chosen through non-probability sampling. The convenience approach was used because it was the least expensive and time-consuming option. (Aczel & Sounderpandian, 2006)

Active followers of Gucci's Instagram account were targeted as participants, to ensure they are already familiar with the brand and with their social media communication. However, the survey was distributed on other social networking platforms, ensuring that the participants are social media users.

Because the surveys were distributed via personal social media, it is possible that some of the author's acquaintances took part. As a result, the possibility of sample bias in data collecting is acknowledged. However, it is impossible to quantify because of two factors: first, the survey data was anonymous, and second, the snowball sampling method.

4.4.4 Pre-testing

A pilot test was conducted before the survey's distribution to ensure that there were no misunderstandings or misleading phrasing. The survey was sent to a small group of people who were requested to complete them, discuss their ideas, and answer questions as needed. In general, there were no misunderstandings that had a substantial impact on the questionnaire's objective. Several questions, however, were rewritten in response to received feedback in order to improve the clarity of the questions.

4.5 Data analysis

IBM SPSS and AMOS statistical software were used to analyse the quantitative data. Before starting the analysis, all the data were imported in the software, checked for missing values and outliers the reverse coded statements were changed, and the average score of all constructs was created. The analysis started with the descriptive, frequency and exploratory tools, followed by reliability analyses for the used scales. The correlation between variables was checked to get some insight into the relationship between the variables.

4.6 Ethical considerations

By collecting the responses online and not asking for any personal information from the participants, it was ensured that the data provided by them would be safe and secret. Participants were told that their information would only be used for research purposes. The questionnaire's transparency was assured by providing an explanation of the study before the participants began filling it out.

5. Results

5.1 Demographic profile of the sample

For this study it was designed a quantitative survey targeting consumers and followers of Gucci brand on social media platforms, specifically targeting people following Gucci's Instagram page. The survey was completed by 108 participants.

5.1.1 Gender

The majority of the respondents were female, representing 66% of the sample, whereas 32% of the participants were male, and 2% decided not to answer.

Table 5.1. Gender of respondents

Gender	Frequencies	Percentages
Female	72	66,7
Male	34	31,5
Prefer not to say	2	1,9
Total	108	100,0

5.1.2 Age

The age of the participants of the study ranges between 18 and 50 years old. Most of the respondents (46.3%) were aged between 18-24. However, the participants aged between 25-30 have almost the same rate, representing 45.4% of the sample.

Table 5.2. Age of respondents

Age	Frequencies	Percentages
18-24	50	46,3
25-30	49	45,4
31-40	8	7,4
>50	1	,9
Total	108	100,0

5.1.3 Education

More than 90% of participants in the study have obtained either a bachelor's or a master's degree. Only 1.9 % of the respondents have achieved a PhD qualification.

Table 5.3. Education of respondents

Education	Frequencies	Percentages
High School	4	3,7
Bachelor's Degree	52	48,1
Master's Degree	46	42,6
PhD	2	1,9
Other	4	3,7
Total	108	100,0

5.1.4 Occupation

As for the occupation of the respondents, most of them are currently students, representing 45.4% of the sample, followed by employed people with a rate of 39.8%. About 7.8% of the respondents are self-employed, while only 3.7% have declared themselves unemployed.

Table 5.4. Occupation of respondents

Work	Frequencies	Percentages
Student	49	45,4
Employed	43	39,8
Self-Employed	8	7,4
Unemployed	4	3,7
Other	4	3,7
Total	108	100,0

5.1.5 Reliability results

The seven-point Likert scale ranging from *Strongly disagree* to *Strongly agree* statements was checked for reliability using Cronbach's alpha (Table 5.5). The scale showed high reliability for each item, with a value of α higher than 0.70. Therefore, the level of the scales is at an acceptable level.

Table 5.5. Reliability results

	Cronbach's Alpha	Nr. of items
SMMEs	,923	11
Brand Equity	,855	7
Customer response	,934	8
Entertainment	,822	2
Interaction	,827	3
Trendiness	,773	2
Customization	,819	2
WOM	,817	2
Brand awareness	,802	3
Brand image	,830	4
Loyalty	,923	6
Purchase intention	,791	2
Total	0,843	52

5.2 Hypotheses testing

Hypothesis 1: Social media marketing efforts (SMMEs) of Gucci during the COVID-19 pandemic have a positive and direct influence on consumer-based brand equity (BE).

H₁ is tested with a structural equation model that determines SMMEs effect on BE (Table 5.6)

The effect of SMMEs on BE is significant at $p < 0.001$ level and accounts for 42.3% of the BE variance. The effect of all the components of SMMEs (entertainment, interaction, trendiness, customization, and word-of-mouth) on BE is statistically significant. Precisely, it affects more brand image than brand awareness.

Table 5.6. The effect of SMMEs on BE

N	108
BE←SMMEs	,913
Entertainment← SMMEs	,858 (1)
Interaction← SMMEs	,734 (2)
Trendiness← SMMEs	,835 (3)
Customization← SMMEs	,704 (4)
Word-of-mouth← SMMEs	,828 (5)
Brand awareness← BE	,750 (1)
Brand image← BE	,777 (2)
R ² CBEE	,834

Hypothesis 2: Social media marketing efforts (SMMEs) of Gucci during the COVID-19 pandemic have a positive and direct influence on customers' response (CR).

H₂ is tested with a structural equation model that determines the SMMEs influence on CR (Table 5.7).

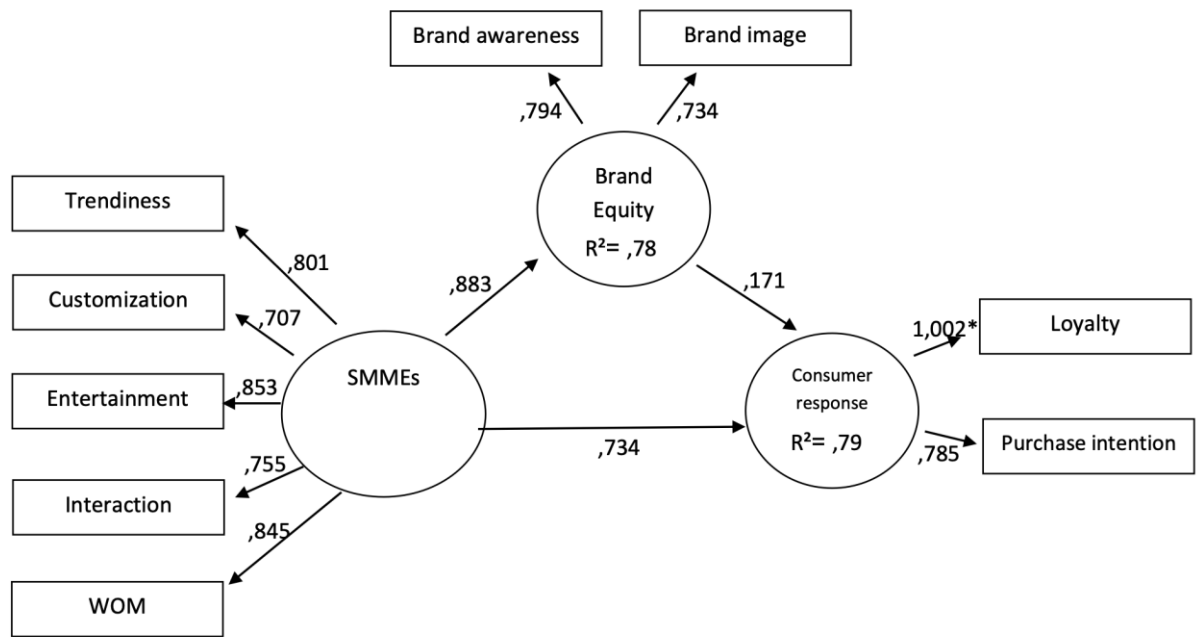
The influence of SMMEs on customers' response is significant at $p < 0.001$ level and accounts for 53.2% of the CR variance. The influence of all the components of the SMMEs on CR is statistically significant, except the *loyalty*, which is not significant ($p=0,615$). This means that the SMMEs of Gucci during the COVID-19 pandemic have not had an influence on customers' loyalty.

Table 5.7. The effect of SMMEs on CR

N	108
CR←SMMEs	,875
Entertainment← SMMEs	,845 (1)
Interaction← SMMEs	,756 (2)
Trendiness← SMMEs	,805 (3)
Customization← SMMEs	,712 (4)
Word-of-mouth← SMMEs	,846 (5)
Loyalty← CR	1,012 (1)
Purchase Intention← CR	,776 (2)
R ² CR	,765

Hypothesis 3: Brand equity has a mediating effect on the relation between social media marketing efforts of Gucci and consumers' response during the COVID-19 pandemic.

Figure 5.1. Measurements of SMMEs → BE → CR model for Gucci



Note: (GFI: ,934; RMSEA: ,077; AGFI: ,866; CFI: ,979; TLI: ,966)
 *[CS→Loyalty is not significant. (p=.929)]

As the model is acceptable, estimates of standardized regression model weights, coefficient, and squared multiple correlations of dependent variables were calculated. The results highlight the existence of relative importance between SMMEs and brand equity with a coefficient of determination (0.278) significant at the 5% level. SMMEs explain 27.8% of the BE variance.

The most significant result of this model is the explanation of Gucci consumers' behaviour responses. The effect is statistically significant in all three responses.

In the relationship between SMMEs and CS with the mediation effect of BE, the model demonstrates consumers' positive behaviour intentions towards the Gucci brand. The influence is mostly indirect and involves the prior formation of a BE for Gucci. The two components (*brand awareness* and *brand image*) of BE are almost equally affected by the tested SMMEs of Gucci.

6. Discussion and Implications

This research contributes to prior literature by providing a holistic framework that demonstrates how social media marketing efforts (SMMEs) influence brand equity (BE) and consumers' behaviour towards a brand.

Multiple studies have proven the importance of theoretical and practical implications of social media for brand building (Gallaughar & Ransbotham, 2010; Kozinets, et al., 2010) as well as management challenges and advantages it generates (Kaplan & Haenlein, 2010). However, it was a big provocation for researchers to find empirical evidence of SMMEs influence on brand equity and other important branding goals, such as purchase intention and loyalty, due to several conceptual and measurement issues (Schultz, 2011; Schultz & Peltier, 2013) This study addresses this important gap and explains the relative importance and shows that all five elements should be holistically taken into consideration when planning social media activities. Previous studies have already emphasized that luxury brands have effective and successful ways of engaging and reaching their customers through the use of new media. (Kim & Ko, 2012; Phan, et al., 2011) The analysis considers Gucci as an experimental example of luxury brands, and Instagram platform as a social media networking channel. From consumers' perspective, all five elements of SMMEs stand out in Gucci's communication strategy for its Instagram account.

Furthermore, the study proves that SMMEs have a significant positive effect on BE ($\lambda_i = 0.913$, $R^2 = 834$) and on the two main dimensions of BE, *brand awareness* (0.750) and *brand image* (0.777). These results indicate that SMMEs should not only be considered as a means of raising brand awareness and reaching new customers but also as an increasingly important and serious brand image building tool. Moreover, the research showcases how Instagram account influences BE of a luxury brand, and consequently, key customer outcomes.

Nevertheless, the analysis denotes that SMMEs have a significant positive effect on CR ($\lambda_i = .875$, $R^2 = 765$), purchase intention (0.776). Unlike previous studies (Godey, et al., 2016; Keller & Lehmann, 2006), SMMEs of Gucci have not a significant influence on loyalty. Still, the results prove that SMMEs must be used as a way of strengthening the relationship with customers and persuading purchase intention.

The findings demonstrate that regardless of the global crisis, SMMEs are still relevant for a luxury brand, in terms of influencing consumers' perception. This leads to the conclusion that people still crave content from fashion luxury brands, and that SMMEs are still positively perceived by users, even though luxury items are not considered a primary need and despite

the critical situation. It demonstrates that the humanitarian and philanthropic side that Gucci wanted to express through its content has had a positive impact on consumers.

From a managerial point of view, as multiple studies already have proven, social media content dimensions of entertainment, interaction, trendiness, word-of-mouth, and customization contribute to building brand equity. Brands should consider social media not only as a way of reaching consumers, but also as an important and cost-effective image-building tool (Godey, et al., 2016). The data also points out that with the rapid growth of digital technology users are expecting more complex marketing programs that make better use of rich, interactive digital media (Godey, et al., 2016). Furthermore, as the findings indicate a big influence of SMMs activities on purchase intention, luxury brands should use these tools as a way to drive sales.

7. Limitation and Future Research

The research paper has several limitations that provide improvement opportunities for future studies. The sample size used for the experimental survey was limited to 108 respondents, and although similar to other studies, the results might be hard to consider for reliable statistical conclusions. The study also used convenience sampling; because most of the respondents were female students, aged between 18 and 24 years old. Although the sample could be considered representative of the target customers of Gucci, the findings have limited generalizability. For these reasons, it is recommended for future researchers to extend the sample to more respondents, as well as ensuring the equal participation of both females and males, from different age ranges.

Another limitation of this study is its generalizability beyond the luxury sector. Although the findings might be useful in the luxury sector, they might not be relevant for other industries. At the same time, the research was performed in the context of the COVID-19 pandemic, which means the results need to be confirmed in other contexts.

Furthermore, since social media use is different among different countries, another limitation might be not taking into consideration wide cultural and ethnic backgrounds as well as the country of origin of the participants. Although, future researchers might analyze the hypotheses in different countries and cultures, to see if there are any differences.

A further important limitation of this study is the luxury brand sample is limited to Gucci company. Studies can be repeated taking as an example multiple fashion brands. Results

from testing the impact of SMMEs of other brands might lead to a different conclusion compared with the present paper.

Besides, the study is limited just to Gucci's Instagram account. There might be done some research on other brand's platforms, such as TikTok, a platform that became very popular among generation Z during the pandemic. Thus, analyzing this social media channel might lead to important insights.

Moreover, the study employed brand awareness and brand image as dimensions of BE. Scientists can examine in the future other dimensions, such as brand quality and brand associations.

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Appendices

Appendix A. Survey for the experimental group

Kindly have a look at the following Gucci's Instagram post and read carefully the caption before taking this survey.



Kindly have a look at the following Gucci's Instagram post and read carefully the caption before taking this survey.

WE ARE ALL IN THIS TOGETHER

Calling on the #GucciCommunity

◀ Gucci announces **€2 million** donation in support of **two crowdfunding campaigns.** ▶

Join with us to fight the COVID-19 pandemic.

GUCCI gucci...

gucci We Are All in This Together. Gucci stands with its global community to fight the #Covid19 pandemic by making two separate donations to crowdfunding campaigns. Locally, in Italy where the company is based, a 1 million euros donation to the Italian Civil Protection Department #DipartimentoProtezioneCivile in partnership with @intesanapaolo's #ForFunding platform to reinforce Italy's health services and to source new ICU beds. Globally, Gucci donated 1 million euros to the United Nations Foundation's Covid-19 Solidarity Response Fund in support of the World Health Organization @who through Facebook's US\$10 million Matching Fundraiser to monitor and collect data on the spread of the virus to

❤️ 💬 📍🔖

Liked by [alessandro.borgh](#) and **121,843 others**

MARCH 26, 2020

😊 Add a comment...Post

Kindly have a look at the following Gucci's Instagram post and read carefully the caption before taking this survey.

GUCCI



@vaquel__ by @vaquel__

GUCCI gucci...

gucci At the heart of #GucciTheRitual is an overturning of roles, where the models are the photographers, taking self-portraits dressed in the #GucciFW20 collection by @alessandro_michele, including @vaquel__. The creative director described the process as "nourishing the campaign with enchantment." #AlessandroMichele #GucciCommunity

54w

+

❤️ 💬 📍🔖

80,114 others

MAY 20, 2020

😊 Add a comment...Post

1

Keeping in mind the previous displayed images, as well as other Gucci's posts that you've seen during the period of 2020-2021, kindly answer the following questions: *

	Strongly agree	Agree	Somewhat agree	Neutral	Somewhat disagree	Disagree	Strongly disagree
Using Gucci brand's social media is fun.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Content of Gucci brand's social media seems interesting.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gucci brand's social media enable information-sharing with others.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conversation or opinion exchange with others is possible through Gucci brand's social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is easy to provide my opinion through Gucci brand's social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Content of Gucci brand social media is the newest information.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using Gucci brand's social media is very trendy.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gucci brand's social media offer a customized information search.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gucci brand's social media provide customized service.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would like to pass information on brand, product, or services from Gucci brand's social media to my friends.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

I would like to upload content from Gucci brand's social media on my blog or micro blog.

I am always aware of Gucci brand.

Characteristics of Gucci brand come to my mind quickly.

I can quickly recall the symbol or logo of Gucci brand.

Gucci brand is leading luxury company.

Gucci brand has extensive experience.

Gucci brand is representative of the luxury industry.

I will suggest Gucci brand to other consumers.

I would love to recommend Gucci brand to my friends.

Keeping in mind the previous displayed images, as well as other Gucci's posts that you've seen during the period of 2020-2021, kindly answer the following questions: *

	Strongly Agree	Agree	Somewhat agree	Neutral	Somewhat disagree	Disagree	Strongly disagree
I regularly visit Gucci brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to visit Gucci brand again	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am satisfied with Gucci brand with every visit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gucci brand would be my first choice.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would consider Gucci as one of my first choices to buy a luxury brand item.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would buy from Gucci store in the future.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3

What is your gender? *

- Female
- Male
- Prefer not to say

4

How old are you? *

- 18-24
- 25-30
- 30-40
- >50

5

What is your highest degree achieved? *

- High School
- Bachelor's Degree
- Master's Degree
- PhD
- Other

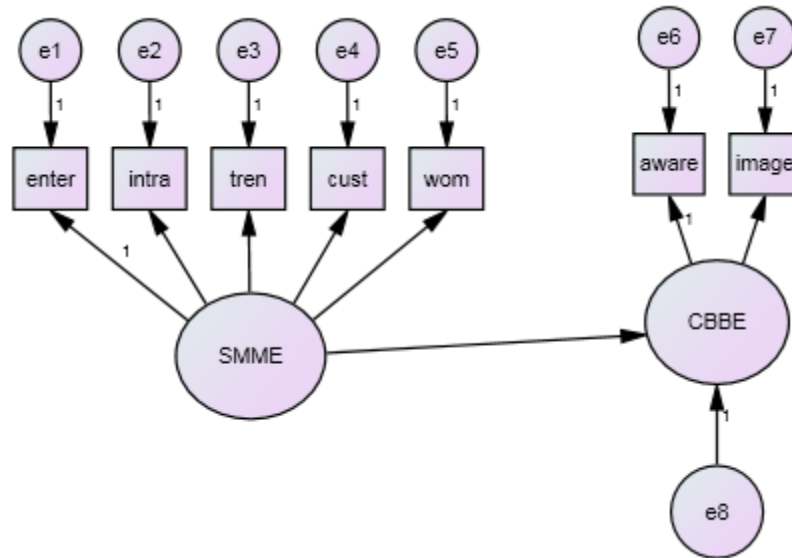
6

What is your occupation? *

- Student
- Employed
- Self-employed
- Unemployed
- Other

Appendix B. H1 SPSS Output

1. H1 Model



2. Analysis results

2.1 Regression Weights: (group nr.1 – default model)

	Estimate	S.E.	C.R.	P	Label
CBBE <--- SMME	,891	,112	7,979	***	
enter <--- SMME	1,000				
intra <--- SMME	,754	,085	8,905	***	
tren <--- SMME	,966	,089	10,909	***	
cust <--- SMME	,814	,097	8,374	***	
wom <--- SMME	1,232	,116	10,586	***	
aware <--- CBBE	1,000				
image <--- CBBE	,793	,106	7,460	***	

2.2 Standardized Regression Weights: (group nr.1 – default model)

	Estimate
CBBE <--- SMME	,913
enter <--- SMME	,858
intra <--- SMME	,734
tren <--- SMME	,835
cust <--- SMME	,704
wom <--- SMME	,828
aware <--- CBBE	,750
image <--- CBBE	,777

2.3 Variances: (group nr.1 – default model)

	Estimate	S.E.	C.R.	P	Label
SMME	1,179	,217	5,437	***	
e8	,186	,115	1,618	,106	
e1	,423	,076	5,581	***	
e2	,572	,087	6,611	***	
e3	,477	,081	5,891	***	
e4	,796	,118	6,726	***	
e5	,821	,143	5,723	***	
e6	,872	,156	5,604	***	
e7	,463	,094	4,931	***	

2.4 Squared multiple Correlations: (group nr.1 – default model)

	Estimate
CBBE	,834
image	,604
aware	,562
wom	,686
cust	,495
tren	,698
intra	,539
enter	,736

3. Model Fit Summary

3.1 CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	16	17,095	12	,146	1,425
Saturated model	28	,000	0		
Independence model	7	449,841	21	,000	21,421

3.2 RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	,051	,960	,906	,411
Saturated model	,000	1,000		
Independence model	,860	,326	,101	,244

3.3 Baseline comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	,962	,933	,988	,979	,988
Saturated model	1,000		1,000		1,000
Independence model	,000	,000	,000	,000	,000

3.4 Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	,571	,550	,565
Saturated model	,000	,000	,000
Independence model	1,000	,000	,000

3.5 NCP

Model	NCP	LO 90	HI 90
Default model	5,095	,000	20,215
Saturated model	,000	,000	,000
Independence model	428,841	363,557	501,551

3.6 FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	,160	,048	,000	,189
Saturated model	,000	,000	,000	,000

Model	FMIN	F0	LO 90	HI 90
Independence model	4,204	4,008	3,398	4,687

3.7 RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	,063	,000	,125	,335
Independence model	,437	,402	,472	,000

3.8 AIC

Model	AIC	BCC	BIC	CAIC
Default model	49,095	51,681	<u>92,009</u>	108,009
Saturated model	56,000	60,525	131,100	159,100
Independence model	463,841	464,972	482,616	489,616

3.9 ECVI

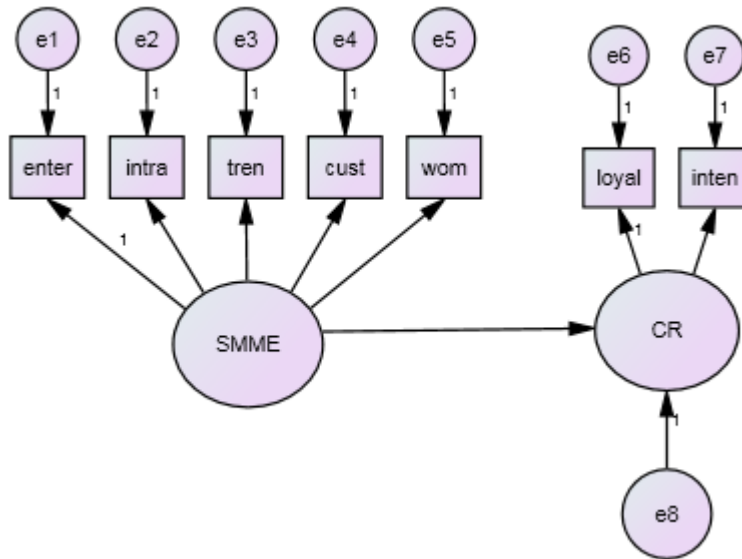
Model	ECVI	LO 90	HI 90	MECVI
Default model	,459	,411	,600	,483
Saturated model	,523	,523	,523	,566
Independence model	4,335	3,725	5,014	4,346

3.10 HOELTER

Model	HOELTER .05	HOELTER .01
Default model	132	165
Independence model	8	10

APPENDIX B: H2 SPSS Output

1. H2 Model



2. Analysis results

2.1 Regression Weights: (group nr.1 – default model)

	Estimate	S.E.	C.R.	P	Label
CR <--- SMME	1,249	,107	11,625	***	
enter <--- SMME	1,000				
intra <--- SMME	,833	,088	9,450	***	
tren <--- SMME	,948	,097	9,802	***	
cust <--- SMME	,855	,101	8,439	***	
wom <--- SMME	1,330	,121	11,027	***	
loyal <--- CR	1,000				
inten <--- CR	,826	,075	10,961	***	

2.2 Standardized Regression Weights (group nr.1 – default model)

	Estimate
CR <--- SMME	,875
enter <--- SMME	,832
intra <--- SMME	,787
tren <--- SMME	,795
cust <--- SMME	,716
wom <--- SMME	.867
loyal <--- CR	1,012
inten <--- CR	,777

2.3 Variances (group nr.1 – default model)

	Estimate	S.E.	C.R.	P	Label
SMME	1,108	,213	5,215	***	
e8	,532	,144	3,699	***	
e1	,494	,079	6,230	***	
e2	,474	,077	6,123	***	
e3	,581	,089	6,497	***	
e4	,769	,113	6,822	***	
e5	,649	,122	5,337	***	
e6	-,054	,108	-,503	,615	
e7	1,008	,156	6,451	***	

2.4 Squared multiple correlations (group nr.1 – default model)

	Estimate
CR	,765
inten	,604
loyal	1,025
wom	,751
cust	,513
tren	.632
intra	,619
enter	,692

3. Model Fit Summary

3.1 CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	16	19,949	12	,068	1,662
Saturated model	28	,000	0		
Independence model	7	562,584	21	,000	26,790

3.2 RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	,054	,954	,892	,409
Saturated model	,000	1,000		
Independence model	1,062	,289	,052	,217

3.3 Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	,965	,938	,986	,974	,985
Saturated model	1,000		1,000		1,000
Independence model	,000	,000	,000	,000	,000

3.4 Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	,571	,551	,563
Saturated model	,000	,000	<u>.000</u>
Independence model	1,000	,000	,000

3.5 NCP

Model	NCP	LO 90	HI 90
Default model	7,949	,000	24,334
Saturated model	,000	,000	,000
Independence model	541,584	467,956	622,630

3.6 FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	,186	,074	,000	,227
Saturated model	,000	,000	,000	,000

Model	FMIN	F0	LO 90	HI 90
Independence model	5,258	5,062	4,373	5,819

3.7 RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	,079	,000	,138	,201
Independence model	,491	,456	,526	,000

3.8 AIC

Model	AIC	BCC	BIC	CAIC
Default model	51,949	54,535	94,863	110,863
Saturated model	56,000	60,525	131,100	159,100
Independence model	576,584	577,716	595,359	602,359

3.9 ECVI

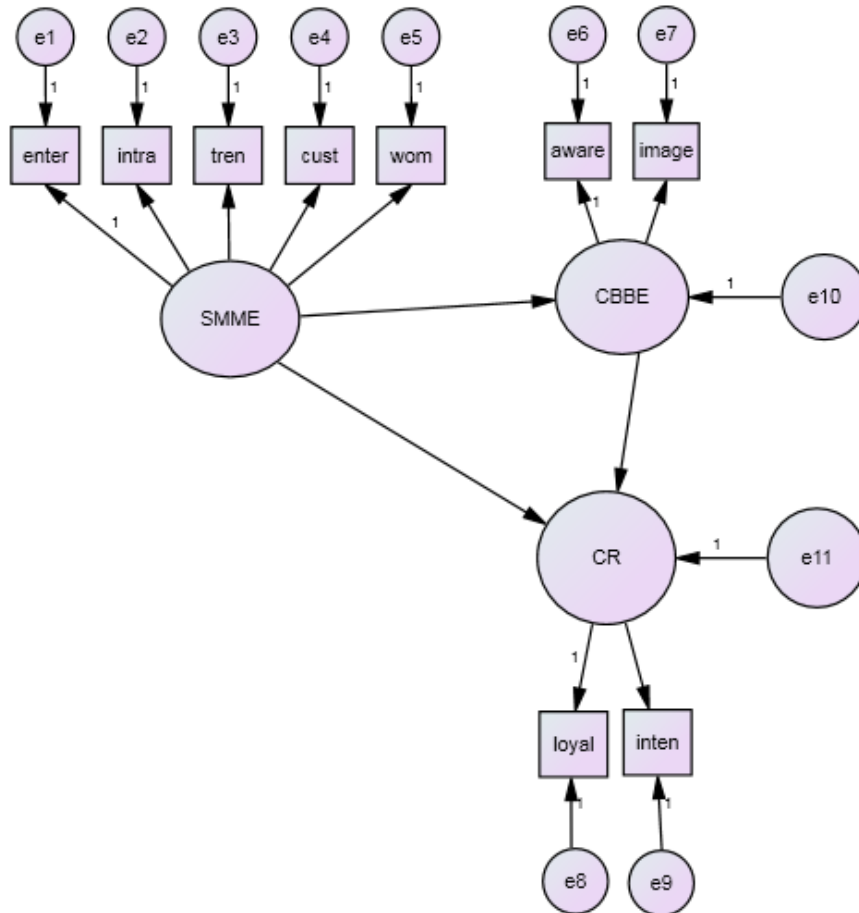
Model	ECVI	LO 90	HI 90	MECVI
Default model	,486	,411	,639	,510
Saturated model	,523	,523	,523	,566
Independence model	5,389	4,701	6,146	5,399

3.10 HOELTER

Model	HOELTER .05	HOELTER .01
Default model	113	141
Independence model	7	8

APPENDIX C. H3 SPSS Output

1. H3 Model



2. Analysis Results

2.1 Regression Weights (group nr.1 - default model)

	Estimate	S.E.	C.R.	P	Label
CBBE <--- SMME	,917	,111	8,260	***	
CR <--- SMME	1,012	,258	3,924	***	
CR <--- CBBE	,226	,252	,897	,370	
enter <--- SMME	1,000				
intra <--- SMME	,780	,084	9,305	***	
tren <--- SMME	,931	,091	10,174	***	
cust <--- SMME	,823	,097	8,447	***	
wom <--- SMME	1,266	,114	11,120	***	
aware <--- CBBE	1,000				
image <--- CBBE	,709	,096	7,397	***	
inten <--- CR	,842	,075	11,241	***	
loyal <--- CR	1,000				

2.2 Standardized Regression Weights: (group nr.1 - default model)

	Estimate
CBBE <--- SMME	,883
CR <--- SMME	,734
CR <--- CBBE	,171
enter <--- SMME	,853
intra <--- SMME	,755
tren <--- SMME	,801
cust <--- SMME	,707
wom <--- SMME	,845
aware <--- CBBE	,794
image <--- CBBE	.734
inten <--- CR	,785
loyal <--- CR	1,002

2.3 Variances (Group nr.1 - default model)

	Estimate	S.E.	C.R.	P	Label
SMME	1,166	,215	5,411	***	
e10	,278	,134	2,069	,039	
e11	,466	,133	3,513	***	
e1	,437	,074	5,863	***	
e2	,534	,081	6,608	***	
e3	,566	,089	6,336	***	

	Estimate	S.E.	C.R.	P	Label
e4	,789	,116	6,786	***	
e5	,747	,126	5,932	***	
e6	,736	,154	4,785	***	
e7	,540	,096	5,630	***	
e9	,976	,152	6,429	***	
e8	-,009	,102	-,089	,929	

2.4 Squared Multiple Correlations (Group nr.1 - default model)

	Estimate
CBBE	,779
CR	,790
loyal	1,004
inten	,617
image	,539
aware	,631
wom	,714
cust	,500
tren	,641
intra	,571
enter	,727

3. Model Fit Summary

3.1 CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	23	35,881	22	,031	1,631
Saturated model	45	,000	0		
Independence model	9	711,278	36	,000	19,758

3.2 RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	,061	,934	,866	,457
Saturated model	,000	1,000		
Independence model	1,006	,254	,068	,203

3.3 Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	,950	,917	,980	,966	,979

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Saturated model	1,000		1,000		1,000
Independence model	,000	,000	,000	,000	,000

3.4 Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	,611	,580	,599
Saturated model	,000	,000	,000
Independence model	1,000	,000	,000

3.5 NCP

Model	NCP	LO 90	HI 90
Default model	13,881	1,284	34,360
Saturated model	,000	,000	,000
Independence model	675,278	592,332	765,645

3.6 FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	,335	,130	,012	,321
Saturated model	,000	,000	,000	,000
Independence model	6,647	6,311	5,536	7,156

3.7 RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	,077	,023	,121	,162
Independence model	,419	,392	,446	,000

3.8 AIC

Model	AIC	BCC	BIC	CAIC
Default model	81,881	86,624	143,570	166,570
Saturated model	90,000	99,278	210,696	255,696
Independence model	729,278	731,133	753,417	762,417

3.9 ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	,765	,648	,957	,810
Saturated model	,841	,841	,841	,928
Independence model	6,816	6,040	7,660	6,833

3.10 HOELTER

Model	HOELTER .05	HOELTER .01
Default model	102	121
Independence model	8	9

Appendix D. Cronbach's Reliability

1. SMMEs

Reliability Statistics

Cronbach's Alpha	N of Items
,923	11

2. Entertainment

Reliability Statistics

Cronbach's Alpha	N of Items
,822	2

3. Interaction

Reliability Statistics

Cronbach's Alpha	N of Items
,827	3

4. Trendiness

Reliability Statistics

Cronbach's Alpha	N of Items
,773	2

5. Customization

Reliability Statistics

Cronbach's Alpha	N of Items
,819	2

6. WOM

Reliability Statistics

Cronbach's Alpha	N of Items
,817	2

7. Brand Equity

Reliability Statistics

Cronbach's Alpha	N of Items
,855	7

8. Brand awareness

Reliability Statistics

Cronbach's Alpha	N of Items
,802	3

9. Brand image

Reliability Statistics

Cronbach's Alpha	N of Items
,830	4

10. Customers' response

Reliability Statistics

Cronbach's Alpha	N of Items
,934	8

11. Loyalty

Reliability Statistics

Cronbach's Alpha	N of Items
,923	6

12. Purchase intention

Reliability Statistics

Cronbach's Alpha	N of Items
,791	2