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Brand Management in a Digital World

An examination of Hugo Boss’s efforts in social media

Verfasser Sabrina Fähnle, Julia Teichmann, Jans U. Pätzmann

Social media is one of the most discussed marketing topics at the moment. It belongs to “one of those phrases that many people think they should know” (Safko & Brake 2009, p. 3). As the Social Media Bible by Safko and Brake (2009, p. 3f) states: “Humans like to know about the good, the bad, and the ugly side of people, places, and situations, as well as to share this information with others, often as quickly as possible.” Social media help to present oneself on the anonymous internet, via social media people with similar interests are able to connect online.

Today, companies invest in social media, in times while premium consumer brands are faced with new problems in their communication strategy: They established exclusive communication channels to their customers. Now they try to integrate social media in their communication strategy while maintaining their premium image.

Designer Ralf Simons (cited from Schwerdt 2010, p. 20), who worked for Jil Sander, has doubts in giving everyone online access to elite brands. In his opinion social media might destroy the real experience of high-end brands. Nevertheless, the German premium brand HUGO BOSS has taken the initiative to invest in social media as part of its branding strategy and will be subject of further studies.
The objective of this essay is to analyze how social media can help to support different brand objectives, especially those of premium brands. This is done on the example of the German premium brand HUGO BOSS.

The following chapter gives a review of social media. Special attention is paid to the most used social media tools, Wikipedia, Facebook and YouTube. Subsequently it will be analyzed how social media differ from other communication tools by pointing out its future opportunities and risks for marketing, especially for branding. A brief definition of brand management will be given in order to understand its scope of functions. HUGO BOSS’s positioning in the market and its brand objectives will be worked out. Afterwards, HUGO BOSS’s social media activities will be analyzed in detail and evaluated concerning their brand effectiveness. Finally, the relation between brand objectives and social media tools is highlighted visually by a matrix.

The Rising Star Social Media

According to the Oxford English Dictionary (online version June 2012) the term social media refers to “websites and applications which enable users to create and share content or to participate in social networking”. Consequently, “social media can be all sorts of different things, and it can be produced in all sorts of different ways” (Comm 2009, p. 2).

Using social media can be watching a YouTube video, posting a tweet or writing a blog on the internet. The Nielsen Global Consumer Report 2010 provides a list of the top 10 global web sites (compare figure 1). Three social media platforms are part of it: Facebook is placed on position 3 with 54.48 % active reach, YouTube on position 6 with 46.58% and followed by Wikipedia on position 7 with 34.93 % (Nielsen 2010, p. 4).

A study by Busemann & Gscheidle (2011) shows that interest and usage intensity vary among the different social media tools on the German market: As figure 2 points out wikis, video podcasts and private networking communities belong to the most often used social media tools in Germany. In 2011 only less than 5 % engaged in photo sharing, professional communities, weblogs, bookmarking sites, virtual playgrounds and Twitter at least once a week (ibid., p. 362). Furthermore, 97 % stated that they never use Twitter, 94 % that do not join business communities. A large majority of 93 % avoids weblogs as well (ibid.).

Due to these facts, this essay focuses on the Wiki Wikipedia, the video platform YouTube and the private networking community Facebook.

Wikipedia: The Information Source

Wikis are websites that allow humans to collect and publish their knowledge “in one place at any time”(Safko & Brake 2009, p. 181). The most famous user-generated encyclopedia is Wikipedia. The most
considerable version is the English language one with nearly 4 million articles, followed by the German language one with nearly 1.5 million articles.

**Facebook: The Social Network**

Social networks like Facebook are profile-based sites that encourage people to initiate relationships. Founded in February 2004 by Mark Zuckerberg, Facebook was once only a social medium for Harvard students to get acquainted to each other (Safko & Brake 2009, p. 453). The success story ran its course and at the end of March 2012 Facebook counted “901 million monthly active users” (Facebook 2012). Not only private persons but also companies discovered this digital world. According to Safko and Brake (2009, p.452) Facebook can be used to promote new products and services.

**YouTube: The World of Moving Pictures**

“Increasingly, video is starting to take stronghold in our online society” (Weinberg 2009, p. 267). An extremely popular platform for video sharing is YouTube. According to YouTube (n.d.) “800 million people visit YouTube every month”, “over 4 billion videos [are] viewed each day” and “more than 60 hours of video is uploaded every minute”. YouTube offers customized brand channels to companies allowing them to use banners, logos and background images and to set links (YouTube n.d.a). Videos on YouTube can be assessed by signed in users via the ‘like’ button and forwarded to other social media platforms such as Facebook and Twitter to reach a multiplier effect.

**Implications for Brand Communication**

In the last couple of years, the role of consumers has changed considerably. “Using social media, individuals can become content producers, rather than just passive internet content consumers” (Ben-HMATCH WV &RPSHQVDWLRQ’LJHVWSVDUHHSWKLQWHUYLHZV result, there is a lot of discussion among marketing and communication professionals how social media will change the communication business. TNS Infratest (2012, p. 5) “conducted in-depth interviews with over 72,000 people in 60 countries”. According to their report 54% of social network users ‘admit [that] social networks are a good place to learn about products’ (ibid., p. 15).

But this represents only one half of the story. On the other hand the same report states that 57 % of social network users in developed markets “do not want to engage with brands via social media” (ibid., p. 14). The researchers claim that a strong focus on the brand idea is the key to success: “Keeping the core brand idea at the centre is proving a successful way to minimise digital waste and capitalise on the digital opportunity” (ibid., p. 8). Potential consequences for brand management in regard to social media are ana-
lyzed in the subsequent chapters starting with a short introduction of branding, followed by a comparison of social and traditional media.

About Branding

Traditionally a brand was just a sign. The function of this sign was to inform consumers about the identity of the supplier (further information: Esch 2012, p. 18). So basic definitions focus on this sign character of brands, for example Riezebos (2003, p. 32): “A brand is every sign that is capable of distinguishing the goods or services of a company”. But that is not the end of the story. Researchers agree that there is more. Riezebos (2003, p. 63) adds another point to his definition “and that can have a certain meaning for consumers both in material and in immaterial terms”. Shortly spoken, a brand is “the consumer’s idea of a product” (Ogilvy 1951, cited from Esch 2012, p. 22).

This essay is based on the goal pyramid of brand management by Esch (2012, p. 55f). As illustrated on figure 3, on the top is the global goal of the company, for example its long term survival. On the next level are the economic objectives of brand management, like an increase in brand equity, an increase in sales or the ability to charge a price premium above market price. According to Esch (2012, p. 55) these economic objectives cannot be reached directly. First of all, objectives of the pyramid’s base level, so called behavioral scientific objectives, have to be fulfilled. In other words: It is important to influence the consumer’s knowledge about a brand, meaning the brand awareness and the brand image (p. 62). In Esch’s opinion “brand awareness is a necessary condition for brand success” (p. 64), while brand image is a “sufficient condition” for it (p. 68).

Social Media vs. Traditional Marketing Channels

The huge development of social media platforms reflect at the same time the decreasing acceptance of traditional marketing tools (e.g. Nielsen 2012). According to Weinberg (2009, p. 6) consumer’s trust in traditional media forms has declined because “generations are becoming increasingly digital-savvy”. A Study by Penn, Schoen and Berland Associates (PSB 2009), published in The Wall Street Journal in January 2009, states that consumers “believe [in] the information they find, not in the information that is spoon-fed to them” (Penn & Zalesne 2009). One question in this survey was in what the respondents tend to believe more in while making product purchasing decisions. 92 % of 300 interviewed US citizens older than 18 years of age have chosen the answer: “Information I get on my own through the Internet, newspapers, magazines, or friends and family.” Only 5 % show more trust in “the advice of clerks and salespeople” (PSB 2009, p. 5) Furthermore, 78 % agreed to the statement: “TV ads for consumer products do not provide me with enough of the information I need to make my purchasing decisions, so I generally need to supplement them by getting further information” (ibid.). “Earned Media Resources remain most credible”, is one of the similar results of The Nielsen Report Global Trust in Advertising and Brand (Nielsen 2012, p. 2). More than 28,000 Internet respondents in 56 countries were surveyed (see figure 4). 92 % trust completely or somewhat recommendations by people they know (Nielsen 2012, p. 3). Unfortunately, no information is provided if they know them in real life or only from the online world. Nevertheless, 72 % trust completely or somewhat in consumer opinions posted online (ibid.). Figures for Germany are simi-
lar (see figure 5): 88 % of 500 German respondents trust completely or somewhat in recommendations by people they know, 64 % trust completely or somewhat in consumer opinions posted online (Nielsen Germany 2012).

The case: HUGO BOSS

In its annual report of 2010 HUGO BOSS states that its online and mobile services and its presence in social networks are of “paramount importance” (HUGO BOSS 2011, p. 19). HUGO BOSS claims that “thanks to these platforms, the Group established contacts with over 15 million consumers and interested visitors in 2010” (ibid.). Thus making HUGO BOSS an ideal case to analyze how branding objectives can be reached via social media.

HUGO BOSS is “one of the world market leaders in the premium fashion and luxury segment of the apparel market” (HUGO BOSS 2012, p. 58). According to the annual report 2011 HUGO BOSS products can now be purchased in more than 124 countries worldwide at 6,300 points of sales (HUGO BOSS 2012, p. 58). Its brands “cover an extensive product range consisting of classic-modern business wear, elegant evening wear and sportswear, shoes and leather accessories, as well as licensed fragrances, eyewear, watches, children’s fashion, home textiles and motorcycle helmets” (ibid.).

Brand Objectives of HUGO BOSS

The brand architecture of HUGO BOSS consists of the core brand BOSS with the lines BOSS Black, BOSS Selection, BOSS Green and BOSS Orange as well as the HUGO brand. Brand managers try to position BOSS Selection in the luxury goods segment whereas the other brands are positioned in the upper range of the premium fashion segment. An “individually tailored communication for the different brands” is the aim of HUGO BOSS (2012, p. 72). Nevertheless, “all of

![Figure 4: Global trust in different forms of advertising](Source: Nielsen 2012, p. 3, n = 28000)
the Group brands stand for excellent quality, outstanding workmanship and modern design” (HUGO BOSS 2011, p. 138). In keeping with the brand goal pyramid by Esch, the analysis of HUGO BOSS social media activities will focus on the two branding objectives brand awareness and brand image. For the image objectives three major objectives have been identified:

- premium image/ high quality (as mentioned above)
- design (’unmistakable signature design’ HUGO BOSS 2012, p. 96)
- innovative/fashionable (’fashionable, innovative products’ HUGO BOSS 2012, p. 82)

In analyzing HUGO BOSS’s social media activities, the authors hypothesize how brand awareness and the three chosen image objectives can be reached with the used type of tools.

HUGO BOSS on Wikipedia

On Wikipedia HUGO BOSS is represented by an entry which includes a brief company and brand profile on the German and on the English version. This may help increase brand awareness. Furthermore, the link to its homepage may lead to more traffic on the brand’s official website. Unfortunately, the text, analyzed on the 20th of June 2012, mentions HUGO BOSS’s past in the nazi time – so it is not the best image advertising. But: “Per Wikipedia policy, individuals who personally have a hand in creating their own Wikipedia pages or employees who use Wikipedia to edit their own company pages can get punished” (Weinberg 2009, p. 178). In conclusion, Wikipedia does not contribute much for HUGO BOSS to reach its image objectives.

![Figure 5: Trust in different forms of advertising in Germany](image)

Source: Nielsen Germany 2012, n = 500
**HUGO BOSS on Facebook**

Facebook enables HUGO BOSS to promote the brand in a protected environment on official Facebook pages. “Only the official representative” is allowed to create such a page (Facebook Help Center 2012a). There is one page for the core brand HUGO BOSS, founded in August 2009 (http://www.facebook.com/facebook?v=info#!/hugoboss). About 2.3 million users have pressed the “I like” button and are so to speak fans of this site in mid-June 2012. Besides a company description, members also get insight into new collections and general news about the brand. Users can look behind the scenes by watching videos and photos. The BOSS Orange logo is integrated into the header of this HUGO BOSS site. There is one more official page on Facebook: HUGO Create was founded in June 2006 and has about 6,000 fans by mid-June 2012 (http://www.facebook.com/facebook?v=info#!/HUGOcreate). Information about HUGO BOSS Fragrances’s design contest is given. HUGO BOSS Fragrances are licensed by HUGO BOSS, but produced and marketed by Procter & Gamble. Since the consumers are to get the impression that the fragrances are from HUGO BOSS the Facebook page HUGO Create is included in the analysis.

Besides these official pages, HUGO BOSS is represented on community pages. According to information given by Facebook a community page 'is about an organization, celebrity or topic, but doesn't officially represent it' (Facebook Help Center 2012b). Two additional community pages for BOSS Orange can be found. One founded in 2010 with round about 30,000 fans by mid-June 2012 (https://www.facebook.com/hugoboss.orange), the other founded in June 2011 with round about 2,000 fans by mid-June 2012 (http://www.facebook.com/pages/HUGO-BOSS-Orange-Perfume/223314787708875). Both pages focus on the licensed perfume BOSS Orange only, not on the fashion. Perfume seems to be a hot topic for community pages. Hugo Boss Perfume was founded in July 2011 and has round about 7,000 fans by mid-June 2012 (http://www.facebook.com/hugobossperfume). Hugo Boss Bottled founded in September 20011 with round about 16,000 fans by mid-June 2012 (http://www.facebook.com/pages/Hugo-Boss-Bottled/137122346347917). There are other community pages associated to HUGO BOSS with lower numbers of fans. As no information can be found whether these community pages are part of HUGO BOSS’s or Procter & Gamble’s marketing strategy they are excluded from the analysis.

**Activation Method: Contests**

To keep up user's interest and to have an ongoing high level of brand awareness HUGO BOSS regularly presents contests on Facebook. In the following paragraphs a few examples are presented. With the slogan “design is what you make of it”, the brand launched the BOSS Orange design contest on Facebook in 2010 together with 21TORR interactive, an agency for digital branding, mobile solutions and e-business (21TORR interactive n.d.). The basic idea was to let users create a design, submit the sketch on Facebook and let Facebook users vote for it (ibid.). The official marketing results: More than 1.200 design proposals, 50,000 fans of the competition and 40,000 new fans for the brand BOSS Orange, which at this time had its own Facebook page (ibid.). According to 21TORR interactive the fans could experience the brand, identify themselves with the brand and share their experience with friends (ibid.). The authors hypothesize that this contest created an image associated with design and fashion.

“Bless the boring see it funky” was the title of a similar contest launched by BOSS Orange eyewear, which was manufactured and distributed by the Safilo Group (Safilo 2010). In October 2010 participants in France, Germany, Italy and Spain were asked to take a picture of a boring place and upload it to the BOSS Orange Fan page on Facebook (ibid.). By an online voting the most boring image was chosen and made funky. Furthermore, four super winners were invited to spend a weekend in Berlin and visit the BOSS stores (ibid.). The contest title was at the same time the claim of the launching campaign (ibid.). Safilo’s objective was to position the new BOSS Orange eyewear as “young and fashionable” with “the most innovative design trends” and with a “carefree urban...
inspiration” (ibid.). Besides brand awareness this contest aims at image objectives, mainly in the area of fashion and innovation.

HUGO Create represents a series of global design contests by HUGO Fragrances. Each contest features the iconic HUGO Man bottle (HUGO Create n.d.). HUGO Create is placed on several social media platforms and has its own website. Creatives need to upload and describe their design directly on the website (ibid.). The HUGO Create Facebook page supports HUGO Create by informing regularly about the contest and by showing design proposals in the gallery. Besides brand awareness these contests aim at image objectives, mainly in the area of design/lifestyle and innovation.

Activation Method: Lotteries

HUGO BOSS regularly offers lotteries via Facebook. For users, it is necessary to register themselves to take part in it. Through the registration users provide their personal information directly to HUGO BOSS and not to Facebook. This enables HUGO BOSS to stay in personal contact with the lottery participants and thus keep up brand awareness. Furthermore special topics can be pushed. As matter of space this essay focuses on two examples.

In October 2010 during the GQ award “men of the year 2010”, Facebook raffled off the fragrance BOSS Bottled which is official partner of the GQ Magazine. The authors hypothesize that this cooperation meant a positive image for HUGO BOSS as being trendy and up-to-date.

HUGO BOSS on YouTube

YouTube can be considered as an important tool for HUGO BOSS’s social media activities because only by entering the brand name more than 12.500 results point up in June 2012. HUGO BOSS has its own channel on YouTube providing a link to the company’s website, Facebook and Twitter on the start page (http://www.youtube.com/user/HUGOBOSSTV). More than 4.400 people subscribed to this channel. Five million times one of the 208 videos was watched on this channel. Brand awareness is increased with trailers of fashion weeks and interviews as well as product advertisements.

YouTube users seem to like advertising. The most popular video on the channel is the TV Commercial “BOSS Bottled. Sport. Featuring Jenson Button” with more than 600,000 views. On the second place is BOSS Orange’s TV spot with the testimonial Sienna Miller. It has been watched nearly 580,000 times on YouTube.

The HUGO BOSS TV YouTube channel clearly combines social media with the brand’s value innovativeness. A special is the HUGO Just Different campaign for the HUGO Just different fragrances. It is “an art film with three different variations... It is a head-turning experience, literally” (O’Neill 2011). By

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<th>Social Media Tools</th>
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<th>Design</th>
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Figure 6: Social Media Tools and Brand objectives
Source: Own representation
means of a webcam (or via keyboard not really recommended by the video) the user can switch between the movie, the theatrical and the story mode by turning their heads. By switching the mode “new elements [are] fading in and out of the scene” (ibid.). This video campaign is beside increasing brand awareness a way to reach the image of being innovative.

Integrated Video Campaigns

“Our social media outlets work with one another- not against or in place of one another”, Nagy (2012) is convinced. Two integrated social media campaigns are analyzed in this section.

HUGO BOSS Talk

The HUGO BOSS Talk is a series of dialogues between famous persons. According to HUGO BOSS it is not scripted. The HUGO BOSS Talk Videos are presented at the HUGO BOSS web page in full length. Previews are posted on YouTube and Facebook. For Edition 1 HUGO BOSS has chosen “Yukimi Nagano, the vocalist of the Swedish band Little Dragon and Eyan Allen, the creative and brand director of womanswear at HUGO BOSS … [to] discuss their views on creativity, success and inspiration” (Lamb 2011). By the use of celebrities the brand wants to be “associated … with fashion and lifestyle” (ibid.).

Videos in 3D on Facebook

Truly innovative is HUGO BOSS’s latest campaign. HUGO BOSS was “having the first ever 3D live streamed fashion show” (Eller 2012): the Boss Black fall winter 2012 fashion show in Beijing on May 18th 2012. Besides the live-stream red carpet events in Beijing, Los Angeles, New York City, London, Berlin, Sydney und Tokio (Sapient 2012), the 3D video is available on Facebook, YouTube and on the company’s website. To arouse interest in the 3D fashion show HUGO BOSS has used different media channels.

On Facebook they put background videos and posted that the event will come soon and users should order their free pair of 3D glasses. Fans did and soon no more 3D glasses were available (Kolbrück 2012).

Another Facebook tool to generate interest, especially in the new technology, is the Facebook application “Make your pic 3D”. Users can upload a picture, select one from a Facebook album or take a picture with their webcam. With a few clicks they get a 3D picture to save or share via Facebook. In the new 3D picture the 3D campaign logo is integrated so, ideally the message is spread virally. The authors believe that with this campaign HUGO BOSS is able to increase brand awareness and to position itself as a fashion-oriented and innovative brand.

Conclusion: Social Media as an Integral Part of the Brand Management

Figure 6 highlights the most influential social media tools and shows their importance in achieving HUGO BOSS’s brand objectives. Especially Facebook experiences an outstanding position in the social media mix. With this network the brand is able to cover a wide range of applications. Additionally, the Facebook page is connected it with other online tools like YouTube and provides links to HUGO BOSS’s own web presence.

Brand managers have to unify the digital innovativeness with the exclusivity of their brands in order to create trust, transparency and authenticity which are the key to build a brand community (Smith 2009). BOSS is particularly strong in innovative campaigns. Nevertheless, the matrix points out that at this stage HUGO BOSS should put more effort in maintaining its premium image.

Besides increasing brand awareness and improving brand image HUGO BOSS could test the implementation of Facebook as a new sales channel. By offering occasionally limited editions on Facebook, HUGO BOSS could reward those customers who are deeply interested in HUGO BOSS’s social media platforms. A social media branding strategy should range from consumer behavior research to after-sales marketing – thus making social media a powerful tool for brand management.
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