

COLUMNS

Getting smaller luxury brands mobile

January 12, 2011



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Mobile is on the rise. Everyday there is a new statistic to demonstrate how big mobile is or how big it is going to become.

The numbers are big, powerful and persuasive: 5 billion mobile phones in the world, mobile payments to grow tenfold to exceed \$600 billion and mobile Web growing even faster than desktop Internet at a rate of 2,000 percent in two years.

For everyone who works in mobile, these are all figures we love to hear, and why would we not it is an explosive and exciting industry and we are all betting our businesses on it being the next big thing.

But how does it translate to the everyday business, especially in the luxury sector?

Luxury and mobile

There are many high-end designer brands that have successfully taken on the mobile space and claimed the territory as their own.

From Louis Vuitton's iPad application to Stella McCartney's mobile Web site and Hublot's application, these are brands that have carved out a space for themselves in the mobile platform and established their brand in new channels, with measurable success.

But high-end designer brands make up only the top layer of the luxury industry.

Within the luxury sector there are many smaller independent designers, manufacturers and retailers that form a significant portion of the sector.

These are the smaller stores that bring us beautiful and unusual quality products and should not be forgotten in the oncoming torrent of mobile.

Smaller boutiques are no less susceptible to the influx of mobile on our society and communities. People will always be interested in quality products and there is a strong market for exclusive and unique items.

The issue for these retailers is balancing cost-effective promotions with brand protection while achieving their strategic objectives.

Successful mobile strategies

The mobile revolution may be new and exciting but at the end of the day, it is really just another sales and marketing medium.

This means that you should treat mobile the same as your other channels in structuring a tactical and strategic response to the changing retail environment

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It is so easy to get caught up in the buzz of mobile, whether it is applications, mobile Web or SMS, and create a strategy out of perception that it is an immediate necessity, rather than an intrinsic part of what you as a business are trying to achieve.

Key questions such as who are your customers, what is your brand identity and what do you want to achieve should never be ignored.

Take your time to identify what you want from your channel such as increased sales, brand awareness or engaging new consumers and how mobile can be used to achieve that.

Integrating mobile into your strategy should be about assimilating it and making it part of what already exists to maintain consistency, rather than accommodating it as an add-on.

Guarding brand equity

For the majority of luxury retailers, big or small, their most valuable asset is the brand.

Much effort goes into building and maintaining a luxury brand and therefore it is crucial that nothing is allowed to compromise what is created.

In the mobile space, this is a tough gig.

The visual real estate on a mobile handset can make it very difficult to deliver an engaging and aesthetically pleasing user experience, which is so key to building brand equity.

However, not investing in the mobile medium at all is not the solution.

Going back to those statistics, if one in four people with a mobile have a smartphone, then they could be using it to engage with your brand. If they are not engaging with you, they will be engaging with someone else.

Return call

The campaigns from Louis Vuitton and peers are beautiful, engaging and well-designed, but they were also costly.

How many independent luxury retailers or manufacturers have a spare \$50,000 for development of an application?

Developing applications is expensive and tends to be a brand exercise rather than a revenue-generating activity, as it is often difficult to make money from the applications themselves.

Also, applications are not cross-handset and are not easily discoverable as you have to be found in what is often an overcrowded app store.

If you do not have thousands to spend and you want to hit the biggest and widest audience possible, mobile Web is the best option available.

With the arrival of HTML5 and 4G it is simple and achievable to deliver a great user experience and affect your sales.

Just by providing users with a mobile commerce store where they can browse and purchase your products, you are creating the best environment you can to encourage conversion from browsing to sales.

An investment in mobile Web offers the opportunity for return on investment that apps do not provide.

Spending money in right places

How big of an investment you want to make is up to you and your bank manager.

There are some good turnkey solutions out there that allow you to build a mobile commerce site yourself and pay a monthly hosting fee.

The problem is that the variety of options available to you to build the store, such as layout or color themes, will be limited and so could potentially compromise your brand.

Bespoke or customized mobile Web site design will provide a superior user experience and allow you to represent your brand in the best fashion but will involve upfront expenditure.

Bespoke sites can cost anywhere from a few hundred dollars to hundreds of thousands depending on the developer and the brief.

Do your research, know what you want and stick to your budget and you should come away with a successful mobile presence.

Small does not mean insignificant

Whether you are a multimillion-dollar fashion house or starting your own fashion line in your garage, the mobile space can and will affect the future of your business.

By taking control and making careful strategic decisions, you can ensure that the effect is beneficial and profitable.

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