Louis Vuitton looks to Columbia University, Parsons for digital clienteling tactics

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Louis Vuitton's Pass app

NEW YORK – A team of students from Columbia Business School and Parsons School for Design's interdisciplinary program "The Design and Marketing of Luxury Goods" presented a digital clienteling proposal Dec. 10 to senior executives of Louis Vuitton to help the brand build consumer relationships using digital touch points in stores.

The students presented a proposal,"Clienteling in the Digital Age," that aims to assist Louis Vuitton in building relationships by increasing personal discovery in stores. Through their research the students found that in-store discovery and interactions were the best way to maintain retention among consumers of of all stages.

"[Our proposal] elevates the consumer experience and drives retention by increasing personalization to learn about the client and improve the relationship that is being developed," said Jessica Gale, Columbia Business School student and member of the Louis Vuitton team, New York.

"Digital clienteling allows for personal discovery, and that is the art of clienteling and that is Louis Vuitton."

The art of clienteling

Clienteling, and even digital clienteling, is more of an art form rather than science, the students explained. The students began the research with focus groups and interviews that led to concepts that were developed in collaboration with Louis Vuitton mentors.

During research the students found four key mega-trends for Louis Vuitton that translate across the luxury sector. The trends identified are digital, which is booming, growing over 25 percent over the last 5 years, social media for communicating with consumers, omnichannel experiences and greater product and experiential personalization.

All trends revolve around customers in the physical and digital space.

The group developed customer profiles to help understand the needs of Louis Vuitton consumers. These three profiles were the VIP mature consumer who embraces technology but is not considered to be tech-savvy, a middle-aged male consumer who relies on technology and advice from his wife and an aspirational, younger constantly tuned in to social media, who likely first experiences luxury brands through digital touch points.

In the short term, the students looked to develop interactive, customer driven initiatives such as an interactive loyalty program that focuses on the overall treatment of a consumer.

To achieve this the student group developed a simple branded hashtag that would allow Louis Vuitton to track consumer experience. Using #LVetMoi the consumer can showcase products through their own personal experience. In addition to becoming part of a larger Louis Vuitton community, participants would be given privileges and exclusive access to content and exposures.

Columbia Business School students, from left to right, Jessica Gale, Guia Ricci, Roberto Tribioli and Xenia Yin, Parsons

Another way Louis Vuitton can raise retention in the short term is by creating curated content based on adaptable seasonal themes and style tips. The addition of this content will likely boost online and offline engagement for Louis Vuitton. Using the hashtag #LVStyle the brand will grow both its in-store and Web site traffic.

The students also looked at how to maintain consumer retention over the long term. To do so, the students suggested an immersive and eye catching technology that marries digital and in-store practices.

A digital kiosk was developed to act as a virtual mirror for customers visiting bricks-and-mortar locations of Louis Vuitton. The digital mirror shows the consumer a head-to-toe view of a product with a smaller sidebar that allows the consumer to zoom in to show an item's details.

The mirror, would show recent runway shows and brand footage when not in use. Sales associates, armed with iPads, can alter displayed content and guide potential purchases to make the experience relevant to a particular consumer.

In addition, the store would feature a digital table equipped with a holograph projector that can show consumers a 360-degree image of a product that may be out of stock. The table would be set in a public, yet enclosed, area of the store with comfortable couches to give guests a relaxing experience while exploring the brand.

Students on the Louis Vuitton team were Jessica Gale, Guia Ricci, Roberto Tribioli and Carly Wu from Columbia Business School and Xenia Yin, Jihye Alice Kim and Marcus Ryde from Parsons School for Design.

An even presence
Maintaining consistent flow between the digital and in-store presence of a brand is increasingly beneficial as more consumers rely on technology and mobile devices.

A senior executive from Saks Fifth Avenue at the Luxury Interactive 2013 conference shared the retailer's strategy to amplify consumer experiences in-store by physically replicating its digital presence.

The executive spoke about Saks' in-store technology tactics used to enhance the consumer experience during the "Using in-store Tech to Link the Online and Offline Experience" fireside chat. The use of technology in bricks-and-mortar retail locations allows for better consumer engagement, while displaying consumer behavior for the retailer's use (see story [2]).

Although consistency is essential for the bigger picture, variety in digital content in-stores will keep the experience fresh.

"Ideally we found that there's power in brand consistency and there's so much content that so many consumers don't see," Ms. Gale said.

"Our proposal leverages existing content but it would be up to the sales associate to adjust content, a process learned over time," she said. "Reviewing already curated videos from LV Pass is content resonating from digital to an in-store experience."

Final Take
Jen King, editorial assistant at Luxury Daily, New York

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