

Most of Yahoo's users who call it their primary search engine (63%) also use Yahoo as their homepage, versus 21% who say the same about Google. Microsoft's MSN comes in third at 5% for primary usage, with 23% saying that they have used MSN for searches in the past month. Other search engines that experience a fair amount of use are Ask (20%) and AOL (14%), although only 2% and 3% of wealthy users, respectively, call these sites their primary search engines.

Effective search engine optimization strategies are clearly becoming more important in the luxury milieu. With 81% of wealthy consumers saying that consulting a search engine is a standard part of their shopping experience, luxury firms must focus on ways to gain better placement in search results when these prized customers go online. In some categories, like designer handbags, 75% of searches are for the manufacturer's name, but the real art of search engine optimization comes when wealthy customers are searching by category, not by name, as is frequently the case in health and fitness (61%), home furnishings (52%) and financial services (42%).



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Luxury Brand Marketing: Planning For 2010

Just how effectively are you engaging your customers, and can you prove it?

By Thaddeus B. Kubis - President, NAK Integrated Marketing

We all agree that the past 12 to 18 months have changed the dynamics of the playing field while redefining the scope, goals and needs of a luxury marketing, branding and communications plan. Can you look to the past to restructure your 2010 and beyond needs? I would say not! You may not be able to look to the future either; the fog of the dawning new marketing morning is heavy and limiting your visibility.

What needs to be done, and this can be a difficult realization, is to recalibrate your current marketing program based upon your foundational elements of sales and communication goals. From there you can effectively combine the offline marketing tools you currently deploy with the host of new and emerging online technologies. In short, you now need to change the foundation of your planning and media exposure.

There are several key elements that will greatly assist you in entering this brave new world of marketing. The first element is to define your challenges. For example, are you targeting the truly wealthy or the aspirational market? Or Both? Once you have defined your challenges you need to further define the challenges that your customers face when dealing with your brand. This may mean you may have to go as far as redefining or repositioning your brand.

Element One – Questions To Consider: How deep is your client penetration? What level of truly actionable marketing and demographic and behavioral information have you acquired over the past years? How accurate is the information? Is the depth of your

customer knowledge in line with your brand and your product objectives? Just knowing your customer is no longer enough; you need to develop all the links to customers that will increase sales, expand the touch of your brand, and most importantly, provide exposure of your brand to those who may not currently be on your contact list. You need to define how deep you wish to go, how much information you want, and at what level you plan to sell. But don't stop there; plan to proactively ask for referrals, endorsements and testimonials in elegant ways.

Element Two – Strategy: What strategy do you use to address the above-mentioned challenges and turn those challenges into an architecturally sound brand foundation? Strategy can mean many things to many people but in the end it is the successful positioning of your brand based on your organization's capacity to meet your customers' core needs. This synchronization of branding can lead to increased sales and dominance in your selected targets.

Do you have a brand pyramid built? Many marketers are not familiar with this term. In short, a brand pyramid should consist of various levels of meaning and involvement of the brand and how those levels relate to the brand and the customer. One of the best known and perhaps most famous brand pyramids can be seen at the link provided <http://www.youtube.com/watch?v=S99yP2m-3N8>. This brief video clip provides a valued overview of Apple's original brand pyramid. Each brand, and sub brands (and the media used to support the brand) need a brand pyramid designed specifically for that brand. This strategy will determine the next elements and the tools needed to successfully engage your customers.

Element Three - Tools: The tools required are an integrated marketing mix comprised of correctly selected and tested media. These drive the balance and impact in your selective markets and could include many traditional media allocations leveraging print and advertising. Today, that marketing mix must include digital media (selected very, very carefully) linked to your message map to maintain the brand's marketing focus and identity. Once your brand strategy is built you will need to consider a new Web site, banner advertising, mobile marketing, SMS marketing, social networking, blogs and micro blogs all linked to response-driven measurement software that is reviewed regularly. This digital aspect provides you with the ability to rapidly change the response-driven elements based on a careful and thorough measurement of the program results, effectiveness and ROI. Look at any successful brand and you will see an optimal mix of the marketing tools (sometimes called cross-media, multi-channel or integrated marketing). This media mix includes print media, direct mail, SMS, mobile marketing, 2D barcodes, RFID and internet marketing each linked to measure response and ROI.

The simplest method to prove success is to measure both your increased sales and your customers' responses. Not every program will drive immediate sales to the door, because not every program has been designed to produce sales. Some are CRM efforts, brand positioning, new product introductions, event marketing and related programs. Yet, if you can't ultimately measure sales per deployed resource, how do you measure the success of these programs? It is essential to make use of the response by turning it into digital information that becomes actionable.

Engaging the customer in 2010 and beyond will mean more than a media shift; it will mean a review of your internal and external marketing challenges, a review of your corporate and brand strategy, and how your customers interact with your brand. The metrics, analytics and the ROI of any marketing effort need to be continuous outputs of your brand marketing programs. Going forward these are no longer a luxury; they are essentials.

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The Inextricable Link Between CRM and eCommerce

Effective loyalty programs reach out to the influencers behind the purchase, and make it easy for them to buy online.

By Darren Floyd

We can all name world-class brands that still don't speak to their customers in very intelligent ways, even luxury brands. How many times will I receive email messages suggesting something like, "You'll Shine in this Season's Party Dresses?" For what it's worth, I'm a man and I do not believe that well-known brands would be doing these things if they understood how sloppy it makes them look. This blunder, when my gender could easily be ascertained, is a conspicuous miss on the part of any marketer.

My first exposure to true CRM was fifteen years ago. This was before eCommerce had taken off and "direct" or "targeted" were buzzwords that indicated a higher level of marketing sophistication. I was at a direct marketing agency working on an account for a national casino. Each of the "gaming" customers ("gambling" is an industry taboo) received a magnetic stored value card. With the card, every meal, gaming bet, hotel, Snicker Bar and anything else was stored in a database. Based on this sea of information, a large spreadsheet of variables showed the various offers and incentives each customer segment would receive in the mail.

Each week, the letter shop used this spreadsheet to ink-jet offers onto blank coupons and mailed them by USPS to each person. Redemption levels were closely watched and tweaked for the next wave of communication. It was non-stop, it was excruciatingly tedious to execute, but it worked and the results were invaluable! Years later it was clear to me that luxury brands would benefit exponentially if only they could apply this kind of strategy to their own customer communications.

At the time, strategies like the casino example were limited to companies and mass brands that had the infrastructure and transactional volume to support such programs. Luxury brands tended to be more homegrown and localized in their customer outreach. The headquarters would send out catalogues and materials using the basic RFM data contained in the boutique's sales terminals, but the more delicate and insightful communications were left to the front line team within the boutiques. Each sales executive had a Moleskin-style black book containing information about top-tier and favorite customers. These valuable little books contained customer preferences,

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