

A Study of Luxury Marketing in Post-Pandemic Era: Regain Your Sense of Control

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Abstract. This work concentrated on the consumer behavior of luxury purchasing in post-pandemic era, especially the change of preferences/attitudes toward luxury goods related to the explosion of COVID-19. Data were collected from comments of top-rated YouTube videos of luxury unboxing/shopping and were analyzed via MDCOR. The result suggests that the purchasing will to luxury goods have generally elevated after COVID-19 explosion and pointed out several subtle elements that could further improve consumers' favor. With best hope, the work could serve as a starting point for future studies in the area and provide meaningful improvement suggestions to luxury manufacturers in their future advertising strategies, and offer referential information for even advertisers in other areas.

Keywords: COVID-19, Luxury Consumption, Consumer Behavior, Retaliatory Consumption, Atypicality Perception

1. Introduction

In 2019, a global epidemic we now know as COVID-19 was first detected at Wuhan, Hubei in China. Before it is controlled, COVID-19 caused millions of deaths and remained to be an unneglectable health risk even today, five years after the first explosion. The impact of COVID-19 is dramatic and long-lasting, permanently altered the lifestyles of people in a world-wide range. Although the lives of public have been changed in all aspects, one particular point that interests advertisers most is how they changed their consuming preference. It is not the first time the public start to invest their money elsewhere after a destructive event - back in 20th century, similar events happened after two Industrial Revolution (due to belief crisis in catholic countries), The Great Depression, and of course, The World Wars. There is a consistent pattern behind this form of transitions, which brings out one important behavioral theory: atypicality perception.

Atypicality perception refers to the phenomenon that consumers are more likely attracted by advertises that make non-typical claims: for example, compared with an advertisement emphasizing the quality and accuracy of a watch, consumers would be more interested in another advertisement that brags about how noble and fashion they would be wearing the same watch. One worth noting fact about this phenomenon is that it actually intensifies during destructive event, when the public

experiences more emotional pressure. After the success of two Industrial Revolutions, the majority of western catholic countries were shocked by an irreversible belief crisis and were strongly attracted by products that they believed to be "scientific", which lasted until the beginning of World War I, when weapons built with newest technology revealed to public about the destructive nature of science, drawing public's attention to the idea of eco-friendly (e.g. truck ads. about heavy trucks running on a green field). The intensify of atypicality perception functioned as a protective mechanism during period of higher pressure, that public sought to escape from the pressuring, destructive reality and declined to make choices that could help them feel unique, and regain the sense of control.

Luxury goods, under the background discussed above, is a special category. Due to the high-price and low-accessibility, luxury goods are viewed as a non-typical option regardless of advertising strategies. After each destructive events, put the impact of economy downfall into account, an increasing preference to luxury goods could be observed among public. In 2023, Tae Hyun Baek and his group conducted survey-based research about public attitude about luxury goods after epidemic, under the assumption that the threatening of COVID-19, likewise other destructive historical events, would improve the public interest toward luxury goods. In Baek's experiment the participants were first measured by their response to certain luxury brands such as ROLEX or PRADA to evaluate their definition to luxury, and make sure that they view the tested subject as a type of luxury. Once participants were qualified by the screening test, they were then exposed to different news about COVID-19 which could arouse different level of threatening. The emotional response of the participants was measured by a self-rating test on 7-point scale (1-nothing at all; 7-extreme anxiety/fear) and then asked about their opinion to certain luxury products, with the similar 7-point scale (1-not interested at all; 7- extremely interested). The results of the research showed a positive correlation between epidemic progress and purchasing will to luxury goods, that under controlled groups with higher threatening levels (5.40 avg.), the average interest points are 0.46 higher compared to group with lower threatening levels (4.82 avg.), confirming the initial assumption of COVID threatening improves public interest toward luxury goods. Nevertheless, there were several limits for Baek's research. First, even though Baek measured participants' response of various brands in his initial screening test, the finale experiment focused on only one specific luxury brand - PRADA, and the application of the research to overall luxury market could be limited. Second, Baek's research focused on only the linear relationship and did not take account of the effect of specific elements that could further boost/decline consumer's favor toward luxury goods. Third, Baek's research was survey-based, and thus could risk be being influenced by the Hawthorne Effect, especially considering the negative impression toward luxury goods under certain cultural backgrounds. In order to overcome these limitations and make a comprehensive, instructive conclusion, this research is conducted based on Baek's original research and made several adjustments to methodology.

2. Methodology

This study employed a mixed method in the research method. YouTube videos that were deemed to have a high degree of relevance to the research topic were selected, and three videos were chosen that were filmed and posted during the pandemic period and focused on luxury product theme. Video types are divided into two categories, online and offline; Shopping vlog at physical luxury stores and the unboxing luxury product video. After selecting the videos, comments that were not relevant to the topic, such as advertising information, were removed. Valuable comments that reflected the attitudes and opinions of the consumer group were selected and used by MDCOR for

data analysis to identify the key words that were being discussed by the public. The results can be directly observed and analyzed to summarize the attitude and emotions of consumer groups. This approach does not focus on a specific brand, as Baek's research does. In this study, we did not choose to select a specific brand in the luxury industry. To a large extent, which greatly minimized the potential bias caused by different brand images on consumer preferences and prevented the misleading data.

There are still many parts that have not been fully considered in the research, but can be improved in the future.

Regarding the sources of information and data, the videos collected were mainly from YouTube. But it's just an entertainment video website, not an e-commerce platform. The data on the sales of luxury brands is invisible, but this part of the data is extremely valuable. The purchase rate intuitively reflects the change in sales volume, but also shows the consumer's interest in the product, as well as the change in purchase desire. Factors that can affect it may include: materials used in products, product prices, brand preferences. The lack of this part of data leads to the lack of detailed and comprehensive analysis of consumers' preference for luxury products.

Another oversight is the lack of attention paid to collecting and analyzing the personal background information of the consumer group. Consumer groups' personal information and preferences also determine their attention and demand for luxury products. Among the factors that affect: gender, consumption level, salary, social class. Such data can help analyze whether the purchasing ability and level of different social classes of consumer groups will be affected by the economic environment under the influence of the epidemic on the global economy. For the project, obtaining personal background data from consumers can provide a clearer understanding of the target consumer groups that most luxury brands are positioning themselves towards. However, due to legal restrictions, businesses are not allowed to disclose or provide consumers' personal information. If future research is conducted, the collection of consumer groups' personal information can be collected in the form of interviews and questionnaires.

At the same time, the analysis of the consumer's purchasing purpose is not deep enough. For example, some groups of people buy luxury products to demonstrate their wealth, status, and purchasing ability; Some purchase the product because of the loyalty to the brand; And others buy because of the quality and design of the product.

Moreover, when conducting data analysis, most of the videos collected had a high number of views, but have fewer comments. Which means that there is still a large part of the consumer group's ideas and opinions will be ignored, such as those who do not use the YouTube or do not like to comment under the videos. A large part of the precision of the analysis will be based on having a large amount of useful data, in order to ensure its accuracy. Low-popularity videos may lead to the analysis results lacking accuracy and comprehends.

3. Results

The majority of the data for the study comes from the YouTube social platform. The main reason for choosing YouTube is that it has a 20-year history and is one of the world's largest social platforms with a mature development, global video coverage, wide audience, high flexibility in content, substantial income for creators, as well as commercial promotion and market expansion opportunities. This comprehensive social platform is highly favored by the public, resulting in a large number of users. The videos selected in the study mainly focus on unboxing or physical store exploration because these types of videos often link to luxury consumption. Therefore, consumers who watch these videos on the YouTube platform will comment below, allowing for analysis of

attitudes from different consumer groups with different perspectives. Finally, comments under the selected videos for "the study explores" all exceed one thousand or more to ensure reduced bias risk in its content.

Although the number of comments on high traffic videos is still not very high, after search for evidence on YouTube, all information is divided into two categories: positive and negative. The used both quantitative and qualitative statistical methods as evidence, as the evidence came from the YouTube comment section. Many consumers expressed their love for luxury goods through emojis, but negative ones did not use these two statistical methods because some consumers were too extreme and some emojis were inappropriate.

From the positive quantitative data, many words give different evaluations of luxury goods in videos can be seen, such as "beautiful", "owned", and "everyday". Others focus on what luxury goods bring them, such as "clothes" and "hope". In another statistical method, qualitative combination, in the comment section below the video, many emoticons can be found, such as "heart", "star", and "smile" displayed in the MDCOR data. These are all expressions, but they are presented to us in written form. From the negative data, many people in the comment section of the video gave negative comments that they didn't understand because they didn't know why they wanted to buy luxury goods. Some people say that those who think they buy luxury goods just to show off, while others say that luxury goods cannot change their lives, they will only become worse. Generally speaking, luxury goods are only suitable for a certain group of people. Poor people buying them will only make their lives worse, while rich people will pursue luxury goods, which will bring them happiness. While the overall ratio of positive comments seemed to have increased in the selected videos, the negative comments seemed to focus on questioning the realistic significance/cost-effectiveness, or expressing their confusion to the luxury culture, which reveals a potential comprehensive gap among people with different financial condition or cultural background. Generally speaking, among the population that are accustomed to purchasing luxury goods or open to luxury culture, the change of attitude trend toward luxury goods seemed to be positive after COVID-19 explosion, consisting with the prediction made based on Baek's research. Nevertheless, this effect made little impact on populations who disapprove/reject the luxury culture in the first place. The cause could be both financial and emotional: it is expectable that the negative impact could be too significant for individuals with lower financial condition to purchase high-value items beyond their financial capability that it diminishes, even overwhelms, the positive effect luxury goods could bring. For people whose fundamental needs are threatened or insecure, the pursuit of luxury goods could be "way ahead of time" that the purpose of such action is incomprehensible. On the other hand, the perspective toward luxury goods could also be a potential influential factor. For individuals who do not perceive luxury goods as a "unique" option, it is possible that the effect of atypicality perception is not triggered and thus failed to promote the purchasing will.

During the pandemic, what kind of impact did luxury goods have on people and what does it represent to consumers? According to the article "How Luxury Survived the Pandemic", "What changes will luxury goods undergo under the global pandemic? Does pursuing luxury clash with the significant changes we have experienced during the pandemic? Luxury goods may appear outwardly extravagant, but recent life has become more restrained. High-end custom dresses, luxury cars passing by onlookers, vacation photos on Instagram are largely dramatic displays. The envy, desire, and even jealousy of others constitute a part of the allure of luxury goods." This indicates that people feel empty, jealous and anxious during the pandemic, just as statistics show that consumers with negative comments containing extreme language have been affected by the pandemic. During

this time period, the concept of luxury for consumers is redefined. In an article titled "How Luxury Survived the Pandemic", the author states "The pandemic scrambled these signals. It isolated us physically, reducing opportunities for "performing" our luxuries. Travel was shut down or severely curtailed, as were many parties, openings, galas and all other occasions for gathering and display. Without social interaction, is Luxury doomed? Not at all, it turns out. In fact, Luxury sales overall have risen during The Pandemic. As The Wealthiest Have Grown Wealthier, and even The Less-Than-Billionaire Class, having been stuck At Home. Has Accumulated More Cash to Spend and More Time to Spend It. In The Process, the Quest for Luxury Has Simply Expanded—Encompassing Not Only a Surging Market in Some Traditional Luxury Items but Also More Inward-Focused Versions of Luxury Plus Novel Digital Methods Of Projecting Luxurious Theater That Are Pandemic-Safe. Far From Disappearing, Luxury Has Proved More Central to Our Culture Than Ever. Like A River Diverted by Rocks, it Has Simply Sought Other Paths." The author suggests that the sense of emptiness experienced by wealthy individuals during the epidemic stems from their inability to halt its occurrence. As a result, affluent individuals find themselves confined at home without opportunities for socializing or spending money, leading to an increase in their wealth due to reduced expenditure. Despite this, luxurious goods remain available and sought after, ultimately serving as a means of filling the inner voids of wealthy individuals through extravagant purchases. This phenomenon has contributed to a surge in traditional markets and alleviated feelings of anxiety while providing a sense of security for these individuals. In contrast, impoverished or average families are facing financial hardship with limited income and ongoing expenses, unable to fill their own inner voids in the same manner as those who are more affluent.

4. Contributions & recommendations for future study

This study contributes significantly to the understanding of luxury consumption in the post-pandemic era, with implications for both marketing theory and practice. Unlike many other studies that analyze through traditional indicators like economic index or brand-specific analyses, this research applies a more comprehensive approach of ethnography, providing unique insights into consumer psychology especially during the periods of uncertainty. By combining both qualitative information from YouTube comments and the quantitative analysis from MDCOR, this study bridges a gap between traditional survey-based methods and digital ethnography, contributing to the progressively ever-growing online consumer behavior [1].

At the first glimpse, one of the key contributions of this study is applying atypicality perception to understand and interpret luxury consumption during crises. According to the previous theories related to consumer behavior, this study further builds on it, depicting how can atypicality perception—consumers prefer unique or non-typical choices during uncertainty times and stressful events—being applied in luxury consumption during the post-pandemic context. This finding is also supported by the research from Kapferer and Bastien [2]. They argued that luxury goods act as a form of self-expression, which can represent consumer's individualistic characteristics especially during times of social upheaval. The result from the current study further supports this statement that consumers consider luxury goods as a kind of psychological buffer which can help them to regain a sense of control and self-esteem when facing uncertainties [3].

Build on this point, this research also contributes to emotional marketing theory, according to the study, luxury goods are currently being increasingly marketed as emotional buffers rather than just simple social status representatives. Tracing back to decades ago, previous research from Atwal & Williams [4], has already being aware of the potential emotional influence in luxury marketing while the current study further builds on the previous one, showing how the pandemic has intensified this

trend. With the public's increasing emotional demand after the pandemic situation, brands must now prioritize their emotional indulgence and empowerment in adjusting their advertising strategies. In order to consistently catch the ever-changing consumer values, luxury brands are advised to focus more on creating narratives around the perspectives like self-expression, empowerment, and resilience. In addition to this, beyond theoretical contributions, the study also makes methodological contributions towards digital ethnography through the application of MDCOR. Taking the advantage of advanced digital technologies and tools, large sets of consumer-generated content can be analyzed in a comparably more systematic manner, revealing deeper insights into consumer behavior. Compared with traditional survey-based methods which will be easily impacted by the Hawthorne effect, the usage of MDCOR provides a more authentic reflection of consumer attitudes [5]. Under this circumstance, standing in the current digital era, big data becomes more and more significant in consumer research, while the interpretation of unstructured data (such as social media comments) is also becoming a significant tool to analyze real-time consumer behavior [6]. In this case, this study further expands on the literature which relates to the use of digital tools in consumer behavior research, providing a real-time approach with more flexibility to data collection and analysis.

Last but not the least, it is also worth to mention the study's contribution to luxury brand management. The results suggest that in the post-pandemic era, beyond just considering products quality, luxury brands should also pay attention to emotional and ethical considerations. With the public's consciousness towards ethical issues grows, it is essential for luxury brands to find the delicate balance between indulgence and societal responsibility [7]. Through putting these shifting priorities into the spotlights, this research offers practical insights for luxury brands which aim to continuously thrive in new market conditions. According to Kapferer [8], luxury brands must be capable of adequate flexibility to respond to these societal shifts and have long-term prosperity, the study echoes the statement through underlining the significance of adaptability, cultural sensitivity, and ethical considerations.

Nevertheless, despite the valuable insights regarding to the post-pandemic luxury consumption, several recommendations are proposed to further enhance the research in this field.

First of all, using YouTube comments as the primary source of data for this research is one of the significant limitations of the current study, although these comments are rich enough in qualitative insights, however, they cannot directly reveal transactional information, for instance, whether the commentator actually make the purchase or not. In this case, it is recommended for future studies to incorporate real-time sales figures, these data can be captured and collected from the e-commerce platforms like Farfetch or Net-a-Porter. Through the combination of both purchasing desire analysis and actual purchasing data, it is more efficient for researchers to interpret the relationship between consumer interest and buying decisions [2]. This is important to investigate, because it is believed by D'Arpizio et al. [9] that online luxury sales are expected to witness a significant growth in the near future that e-commerce is forecasted to account for 30% of total luxury sales by 2025. Though combining the comments which contains information about purchasing desire from diverse social media platforms and the actual transaction figures, researchers are able to analyze how consumer attitudes influence the real-world transactions in a more comprehensive method. Additionally, it is also important to expand the diversity in terms of the data sources for sentiment analysis. Although YouTube provides valuable insights into consumer opinions, it would be beneficial to include other social media platforms such as Instagram, Twitter, or TikTok in future research. Taking Instagram as a particular example, it has currently become a dominant platform for luxury brands as it offers a highly visual environment that people can post both pictures and videos on it. On top of that, it also bridges the gap between consumers and brand because people can engage directly with brands

though the brands' official IG account and share their luxury experiences. By utilizing multiple platforms, researchers can gather a more comprehensive understanding of consumer attitudes, preferences, and motivations, allowing for a more nuanced analysis of luxury consumption.

Another advice to further modify the research is to also include the demographic and psychographic data. This is because the information on consumer background, such as age, gender, income level, and values remains unexplored by the current research. Hennigs et al. [10] argues that consumers from different social groups have different motivations and barriers regarding to luxury consumption. Therefore, this information is crucial in shaping consumer's luxury purchasing behavior. To gather the basic demographic information, researchers can use surveys or interviews, categorizing participants into different social groups and conduct a more detailed analysis of the factors influencing luxury consumption across different segments of the population. Brands can also adjust their marketing strategies to cater the distinctive needs from different consumer groups through collecting these data and therefore enhancing the relevance of their campaigns. According to Kapferer and Laurent [11], researchers can also use longitudinal studies to understand how consumer behavior evolves over time. In the post-pandemic era that full of economic uncertainty and emotional distress across the society, the current increase in luxury consumption might be temporary, while it is still unclear whether this trend will continue or not as time pass by. Under this circumstance, long-term tracking regarding to the changes in consumer attitudes and behaviors as the society changes appears to be essential for researchers. A longitudinal approach is able to offer insights in a long-term and investigate whether the changes in luxury consumption is a fleeting phenomenon or indicative of a more permanent shift in consumer preferences. In addition, this approach is also effective in analyzing generational shifts, because younger consumers like the Generation Z may have different long-term attitudes toward luxury compared to older generations [9].

Finally, taking the ethical issues into consideration, future research should also focus on the sustainable luxury consumption. With the public's awareness towards ethical consumerism growing, particularly among younger consumers who prefer brands with higher Corporate Social Responsibility [7]. This trend is especially challenging for luxury brands, this is because they must balance between exclusive characteristics with the growing consumer preference for sustainability and ethical practices. Research from Hennigs et al, [10] stated the fact that consumers are increasingly willing to pay a premium for luxury goods that align with their ethical values. In this case, future studies should explore how luxury brands can successfully integrate sustainability into their business models without compromising their luxury appeal [12]. For example, more and more luxury brands start not using rare leather to make leather products, although rare leather products can be sold at a higher price.

In a nutshell, future research should expand the scope of data sources, beyond the sources from various social media platforms, actual transactional, demographic and psychographic information should also be collected to gain a more comprehensive and valid understanding of luxury consumption. Furthermore, in order to track the public's attitude for a long-term, longitudinal studies can be applied to determine whether post-pandemic consumption patterns represent a temporary trend or a permanent shift, while the focus on ethical and sustainability is also crucial in understanding how luxury brands can be adapted to cater the ever-changing consumer preferences and expectations. These recommendations will provide more profound insights into the dynamics of luxury consumption and guide brands in navigating the increasingly complex consumer landscape.

5. Conclusion

This study has provided an in-depth exploration of how consumer attitudes towards luxury goods have transformed in the post-pandemic era, illustrating a shift in luxury consumption from being primarily a marker of social status to a means of psychological self-relief and emotional expression. By applying the concept of atypicality perception, the research highlights that during periods of uncertainty, consumers are more inclined to seek non-typical choices, such as luxury items, to regain a sense of control and identity. This shift underscores the need for luxury brands to adapt their marketing strategies to focus on emotional narratives that resonate with consumer sentiments in uncertain times.

The findings contribute theoretically by offering a fresh perspective on the role of emotional marketing in luxury consumption, particularly in crisis contexts, and methodologically by utilizing digital ethnographic techniques to analyze real-time consumer attitudes. From a practical standpoint, the study suggests that luxury brands should not only emphasize product quality and exclusivity but also incorporate themes of resilience, empowerment, and ethical responsibility into their brand narratives to align with evolving consumer values.

Nevertheless, the study's reliance on YouTube comments as the primary data source limits its ability to capture a comprehensive view of consumer behavior, as it reflects only online sentiments and not actual purchasing patterns. Moreover, the absence of demographic and psychographic data restricts deeper insights into how various consumer segments respond to luxury goods. Future research should include real-time sales data and demographic analysis, and adopt a longitudinal approach to better understand whether the observed trends represent a lasting change or a temporary response to the pandemic.

To conclude, this research underscores the changing dynamics of luxury consumption in the post-pandemic era and offers strategic insights for luxury brands to navigate these shifts. By incorporating emotional and ethical considerations into their branding strategies, luxury firms can better connect with consumers and maintain relevance in an increasingly complex and rapidly changing market environment.

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