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Relationship cultivation strategies in social media: how luxury brand corporations use Facebook

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Abstract

Social media such as Facebook and Twitter have become effective communication platforms which corporations use to share official profiles and official pages through which they build and cultivate relationships with customers, launch new products, promote brands, increase awareness, and so on. Luxury brands, as a special category in marketing, have also made use of the benefits of social media to manage relationships with their publics. This study examines how luxury brand corporations use their Facebook official pages to build and cultivate relationships with their publics. Through content analysis, this study evaluates how luxury brand corporations use six relationship cultivation strategies on their Facebook official pages. The results demonstrate that positivity is the most frequently used strategy, and share of task is the least used one. Moreover, the use of relationship cultivation strategies is different between luxury goods corporations and luxury services corporations. The findings can help luxury brand corporations make full use of Facebook official pages to improve their relationships with publics.

Keywords: luxury brands, luxury goods corporations, luxury services corporations, Facebook, social media, relationship cultivation strategies

1. Introduction

The Latin etymology of the word "luxury" implies difference, departure, and deviation (Catry, 2003). Therefore, by utilizing luxury goods and services, consumers may distance themselves from the masses and from one another through the emotional value of acquiring well-crafted and scarce goods and services. While lack of consensus still exists, a widely accepted definition of a luxury product is an item that is out of the ordinary in terms of daily living needs (Veblen, 2009). In addition to being a functional utility, luxury goods and services are often believed to bring esteem and prestige to their owners (Vigneron and Johnson, 2004). These special characteristics make luxury goods and services different from common goods and services.

Luxury goods brands exist in many categories. For example, Mercedes-Benz, Porsche, and BMW are considered as luxury brands in the automobile segment; Gucci, Prada, and Chanel represent high-end luxury fashion brands; and Rolex, Patek Philippe, and Cartier are top-level brands in the watch industry. The luxury service industry offers consumers intangible services with high-quality, superior experience, and premium prices. In contrast to goods, services are intangible products that are rendered and experienced. A product or

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good can be bought from a store shelf, whereas a service can never be stored, touched, tasted, or tried (Shostack, 1977). The service industry includes tourism, hospitality, transportation, restaurants, and so forth. Examples of luxury service brands are Ritz-Carlton, Peninsula, and Palm.

In the last five years, the expanding global middle-class consumer population has supported the growth of the luxury market, which is projected to continue to grow through 2018 (Deloitte, 2014). The sales of luxury goods and services exceeded US$317 billion worldwide in 2013, which is 3% larger than in 2012 (Roberts, 2013). Several factors have contributed to the global growth of the luxury market. There has been a drastic increase in purchasing power due to rapidly rising incomes, and the wide availability of luxury products (and information about them) and shifting attitudes toward the display of wealth are also contributing factors (Vigneron and Johnson, 2004). Moreover, flexible payment methods, such as credit cards, have fueled the growth of luxury goods and services (Fung Business Intelligence Center, 2013).

As several studies confirm, effectively managed relationships with the public can improve the image of luxury brands (Beverland, 2004; Fionda and Moore, 2009; Moore and Birtwistle, 2005; Okonkwo, 2007). In order to build an effective communication channel between consumers and companies, many luxury brands have turned to social media. For example, most global luxury brands, like Gucci, Burberry, and Louis Vuitton, are using social media such as Facebook, Twitter, and YouTube as business take-off tools (Kim and Ko, 2012). Previous studies have found that social media have a dramatic impact on the reputation of a brand (Kim and Ko, 2010). Therefore, it is worth examining how luxury brand corporations use social media, especially Facebook, to manage relationships with their clients.

Social media can be defined as web-based platforms that allow individuals or groups to build public or semipublic profiles, construct and maintain connections, and show their social connections to other members in the social network (Boyd and Ellison, 2008). Social media provide users with many utilities, such as maintaining existing connections, building new connections, sharing information, and entertaining users and is viewed as an important public relations tool due to such communication utilities. With the popularization of social media, a new form of organizational communication has emerged. Social media offer online spaces for organizations to interact with the public and allow users to engage with one another (Bortree and Seltzer, 2009). Because these channels allow companies to create a dialogue with publics, they are regarded as more effective in comparison to traditional marketing communication in influencing users' attitudes and behavior (Thackeray et al., 2008). Accordingly, companies have started to make more effort to build and maintain their social media sites in order to build tighter relationships with publics online and increase interest in their products or services.

Luxury brand corporations have also shifted their focus to social media as an effective tool to communicate with consumers (Kim and Ko, 2012). In the third quarter of 2014, Facebook, as one of the most popular online platforms for luxury and fashion brands, had 1.35 billion active users monthly (Statista, 2015). Many luxury brands, such as Louis Vuitton, Chanel, and Gucci, developed social media applications for iPhone to provide better communication channels with their publics. Using social media such as Facebook, Twitter, and YouTube has also proven to increase benefits for luxury brand corporations (Kim and Ko, 2012). However, earlier research efforts primarily focused on non-profit organizations' social network sites (Bortree, 2007; Bortree and Seltzer, 2009; Waters et al., 2009). As a special type of profit-oriented organizations, luxury brand corporations are different from common brands because they are high-value-added industries based on high-value brand assets (Bian and Forsythe, 2012). A significant difference in using relationship cultivation strategies might exist between luxury brand corporations and other types of organizations. Therefore, it would be valuable to analyze luxury brand companies' relationship cultivation efforts in social networks by asking the following research question:

RQ1: Which relationship cultivation strategies do luxury brand corporations use most and least frequently on Facebook?

In this study, luxury brand corporations are categorized into two groups: luxury goods and luxury services. Goods are products that are tangible and sold in the market, while services are mostly intangible. Evaluating goods is based more on the appearance and functionality of the product, whereas judging the quality of services depends on the experience itself and interactions between corporations and customers. Services have higher customer involvement compared to goods. In this sense, luxury goods and services focus on different aspects in managing organization-public relationships. Accordingly, this study focuses on the following questions:

RQ2: Which relationship cultivation strategies do luxury goods and luxury services corporations use most and least frequently on Facebook when considered separately?
RQ3: How do the specific relationship cultivation strategies, *access*, *positivity*, *openness/disclosure*, *assurance*, *networking*, and *sharing of tasks* apply to luxury goods and services?

The rest of the paper is organized as follows. Section 2 offers an overview of the literature related to organization-public relationship management, relationship cultivation strategies, and social networking sites. Section 3 discusses the research method used in this study. The results of our analysis are presented in section 4 and further discussed in section 5. Section 6 provides conclusions and discusses the contributions and limitations of this study.

2. Theoretical developments

2.1 Relationship management

When the topic of public relations is discussed in the literature, it is common that the subject of the study is relationship management. Relationship management can be defined as an integrated effort to build and maintain a network with the public and to continuously strengthen the network for mutual benefit over time (Cutlip et al., 1994). This paradigm suggests that the purpose of public relations is to build and keep a mutually beneficial relationship between an organization and its public (Hon and Grunig, 1999; Huang, 2001; Ledingham, 2003). Ferguson (1984) states that the organization-public relationship (OPR) is one of the most important concepts in public relations theory and practice. Broom et al. (1997) define OPR as a mutual, adaptable, and contingent responsive status between an organization and the public, who have perceptions and expectations of each other (Broom et al., 1997). As Hon and Grunig (1999) conclude, the OPR begins when an organization makes decisions that affect the public or when the actions of the public have consequences for the organization.

A widely accepted idea is that the OPR consists of three stages, namely, antecedents of the relationship, relationship cultivation stage, and consequences of the relationship (Broom et al., 1997; Grunig and Huang, 2000; Ki and Hon, 2009). Antecedents of a relationship are the "sources of change, pressure, or tension on the system derived from the environment" (Broom et al., 1997; p.94). An organization conducts external environment research to identify the target public that it needs to develop relationships with at the antecedent level. The relationship cultivation stage is considered the process of using strategies to cultivate relationships between the organization and public. Consequences of the relationship are related to the outcomes of conducting the strategic plan.

This study focuses on relationship cultivation strategies. According to previous studies, good relationship

cultivation strategies can lead to positive public relations outcomes. For example, Seltzer and Zhang (2011) concluded that political parties' relationship cultivation strategies are closely associated with voters' perceptions of an OPR, and their perceptions can impact their behavior positively.

2.2 Relationship cultivation strategies

Scholars have advocated that organizations implement strategic virtual communication strategies to cultivate relationships with key stakeholders (Bortree and Seltzer, 2009; Waters, 2009). Kent and Taylor (1998) explicitly suggest the following five strategies for relationship cultivation on the Web: the dialogic loop, usefulness of information, generation of return visits, intuitiveness, and the rule of conservation of visitors. These five strategies aim to examine the online dialogic process by determining whether the organization facilitates a dialogic loop, provides useful information to the public, generates return visits by their publics, provides an easy-to-use interface, and conserves visitors by encouraging them to remain on the website (Kent and Taylor, 1998).

Drawing from interpersonal relationships, relationship cultivation strategies are conceptualized to be applicable to public relations (Grunig and Huang, 2000; Hon and Grunig, 1999). Hon and Grunig posit the following six relationship cultivation strategies: access, positivity, openness/disclosure, sharing of tasks, networking, and assurances. These strategies are suggested to be effective to build long-lasting and trustful relationships with publics (Gruing and Huang, 2000; Hon and Grunig, 1999). Hon and Gruing's six cultivation strategies are symmetrical communication strategies used for developing mutually beneficial OPRs. The symmetrical communication is primarily shown in how organizations and their publics can adopt open communication to balance their ideas rather than try to control other parties' thought (Men et al., 2017). These six cultivation strategies are applied in this study to examine how luxury brand companies build and cultivate relationships with their public through social media, such as Facebook. The following is a brief explanation of each strategy.

Access. This strategy refers to public accessibility to the organization. Access consists of providing communication channels to the public to reach the organization (Hon and Grunig, 1999). Ki and Hon (2009) specify access as an organization providing its company address, telephone number, and email contacts.

Positivity. This strategy refers to the organization keeping its relationships with the public pleasant and delightful through such actions as providing positive feedback, acting happy, being polite in communications, making the public feel pleasant, and avoiding criticism (Hon and Grunig, 1999). This strategy is believed to contribute to conflict resolution (Hon and Grunig, 1999).

Openness/disclosure. This strategy refers to the willingness to become involved in direct discussions regarding the nature of relationships (Canary and Stafford, 1997). Organizations are viewed as having openness and disclosure when they provide an overview and information about the organization itself (Hon and Grunig, 1999). Examples of such information include the organization description, history, mission, goals, and website hyperlinks (Waters et al., 2009).

Assurance. This strategy refers to organizations assuring their public that their concerns and opinions are important and listened to (Hon and Grunig, 1999). Organizations are considered to use the assurance strategy if they regularly respond to public concerns or opinions. Both listening and responding to the public can raise the level of assurance.

Networking. This strategy is defined as the effort organizations exert to build networks or coalitions with the same groups as their public (Ki and Hon, 2009), such as collaborating with environmentalists, unions, or community groups (Hon and Grunig, 1999). Networking provides opportunities for organizations and corporations to build and maintain alliances with stakeholders from different organizations (Hon and Grunig, 1999).

Sharing of tasks. This strategy is conceptualized as organizations and the public cooperating to solve problems of concern to either party, resulting in a mutual interest (Hon and Grunig, 1999). Examples of shared tasks include protecting the environment and community, providing employment, and staying in business (Hon and Grunig, 1999).

2.3 Social media and relationship cultivation strategy

Social media are online sites operated by user participation and user-generated content (Tredinnick, 2006). Social media decrease the distance between organizations and their publics by providing platforms for communication. Dialogic communications developed by Kent and Taylor (1998) have been widely used for virtual communication strategies to build relationships with key segments of publics (e.g., Kelleher and Miller, 2006). According to Men and Tsai (2014), publics now use social media more frequently than corporate websites in searching for information on a company, a brand, or a product.

Scholars have examined both profit-oriented and nonprofit organizations' relationship cultivation strategies in online contexts, though they have focused more on relationship cultivation strategies of non-profit organizations than of profit-oriented organizations. For example, Ki and Hon (2006) analyze 286 Fortune 500 companies' websites and find that the *openness* strategy is adopted most frequently among cultivation strategies, whereas *networking* is the least-adopted strategy. They also find that use of the *positivity, openness*, and *access* strategies varied by industries (Ki and Hon, 2006). By contrast, Williams and Brunner (2010) find in their examination of the relationship cultivation strategies of 129 nonprofit organizations that positivity is the most frequently adopted strategy, whereas *assurance* is the least-adopted strategy. Bortree (2007) finds that large-size nonprofit organizations are more likely to adopt *openness* and *sharing of tasks* compared to small-size organizations after examining 41 nonprofit organizations' websites. Waters et al. (2009) find that in nonprofit organizations, the *openness/disclosure* strategies are more frequently adopted compared to other strategies.

Similar to non-profit organizations, luxury brand corporations adopt social media to build and cultivate relationships with their publics as well as to promote products and to improve their brand image using two-way direct communications. Scholars have studied the effects of social media on luxury brand corporations, and the results show that activities on social media help luxury brands in different perspectives by gaining reputation, improving firm performance, collecting public feedback, providing communication channels, and increasing purchase intention (Kim and Ko, 2012; Kim and Ko, 2010; Chu et al., 2013). It is worthwhile to examine the means and strategies that luxury brand corporations use on their social media in order to provide a clear overview of the current situation and provide suggestions for further improvements.

2.4 Social media and Facebook

Some public relations scholars (Waters et al., 2009) suggest positive effects of building and cultivating relationships on social media, such as more money donated to non-profit organizations. Social media provide each person with a platform to discover shared interests. Most studies on Facebook find that people primarily use it to re-establish connections with offline relationships and to maintain existing relationships rather than to

engage in new relationships (Subrahmanyam et al., 2008; Valenzuela et al., 2009). Facebook allows organizations to increase their reach and show engaging content to interested people (Miller, 2013). However, most studies investigate individuals' use of Facebook, and only a handful focus on organizations' use of Facebook. For example, Waters et al. (2009) analyze Facebook profiles using content analysis and find that most nonprofit organizations post their descriptions on their profiles but omit a mission statement and organizational news.

3. Method

This study applies content analysis to answer the proposed questions. Content analysis is "any technique for making inferences by objectively and systematically identifying specified characteristics of messages" (Holsti, 1969: p.14). According to Neuendorf (2002), content analysis is the process of summarizing the quantitative analysis of messages using scientific method. Content analysis usually involves the following steps: choosing the sample, defining the concepts, constructing categories, creating a coding sheet, collecting data, determining inter-coder reliability, analyzing the data, and reporting the results (Krippendorff, 2004). The reasons for applying content analysis in this study are as follows. First, content analysis can help researchers to develop new topics instead of testing hypotheses. Second, content analysis is a highly effective research method compared to surveys and interviews. Third, content analysis using an observational approach allows participants' opinion to be taken into consideration in the study (Merriam, 2009).

3.1 Sampling

Our sample includes ten most recent Facebook posts of 92 luxury brand corporations and their Facebook official pages and ten most recent posts for each company (O'Neil, 2014). Top luxury brands in each industry are gathered, with 54 luxury goods brands collected from among the world's top 60 luxury goods Facebook official pages list published by Deloitte, one of the world's top consulting corporations (Adams, 2011), and 38 luxury services (hotel) brands were collected from the world's top 50 luxury services (hotels) list released by

Table 1. Luxury brands in the study

Luxury Goods Brands	Luxury Services (Hotels) Brands
Louis Vuitton, Fendi, Donna Karan New York, Loewe, Marc Jacobs, Celine, Cartier, Lancel, Van Cleef&Arpels, Chloé*, Baume and Mercier*, IWC Watches, Jaeger-LeCoultre, Montblanc, Estee Lauder, Aramis*, La Mer, Aveda, Jo Malone London, ALAIN MIKLI, Arnette*, Ray-Ban, Persol Eyewear, Breguet, Longines, OMEGA Watches, RADO, Gucci, Bottega Venetal, Yves Saint Laurent, Biotherm, Clarisonic, Kiehl's, Lancôme, Ralph Lauren, The Official Shiseido, Cle de Peau Beaute US, Bare Minerals by Bare, Escentuals, ROLEX, Coach, Hermes, Balenciaga*, Tommy Hilfiger, Miu Miu, Prada, Chanel*, Tiffany&Co., Burberry, Swarovski, Hugo Boss, Armani, Michael Kors, Dior, Max Mara, Zegna, Salvatore Ferragamo, Elizabeth Arden, Tod's, Dolce & Gabbana	Hilton, Sheraton, Westin, Four Seasons*, Hyatt, Hyatt Regency, Ritz-Carlton*, Embassy Suites, Renaissance, InterContinental, Fairmont, JW Marriott, Sofitel, Grand Hyatt, Loews, Shangri-La, Mandarin Oriental, St. Regis, Le Meridien, Regent*, Park Hyatt, Kempinski, Jumeirah, Langham, Taj Hotel, Kimpton*, Nikko*, Banyan Tree, Andaz, Swissotel, Oberoi, W Hotel, Affinia*, Rosewood*, Pan Pacific*, Vivanta by Taj, Hotel du Vin, Raffles, Steigenberger, One&Only, Omni Hotel, Peninsula*, Anantara, Six Senses, Dusit*, Radisson Blu Hotel, Bulgari Hotels*, Guoman*, Angsana, Conrad

are marked for companies being without Facebook official pages.

CNN Travel (CNN, 2014). The sample sizes of the two groups are different because some brands did not create official Facebook official pages. Therefore, the final sample has 92 luxury brands' Facebook official pages, and 920 total posts. Table 1 shows a list of the 92 brands.

3.2 Coding scheme

The coding scheme is adopted from several previous studies. Five variables are measured in this study: access, positivity, openness/disclosure, assurance, and networking. Among these variables, access and openness/disclosure are adopted from Ki and Hon (2006), positivity is adopted from Water et al. (2009), and assurance and networking are adopted from O'Neil (2014).

(1) *Access* in this study is indicated by the contact information displayed to the public. *Access* is measured by whether the company provides its telephone number, company address, email contact, and official website link. Scores ranging from 0 to 4 are determined by the combination of these four indicators.

(2) *Positivity* is indicated by posted information that makes the public happy. *Positivity* is measured by the total number of photos and videos in the ten most recent posts of the company. Such items provide the public with pleasure and happiness when reading a Facebook page. A company can only upload one of the two items in one post, so scores ranging from 0 to 10 determine whether the posts have one of the two items.

(3) *Openness/disclosure* in this study is indicated by whether the corporations' background and future goals are provided to the public. *Openness/disclosure* is measured by the existence of "About", "Founded", and "Mission Statement" sections on the company's Facebook official page. Scores ranging from 0 to 3 are determined by the combination of these three indicators.

(4) *Assurance* in this study is indicated by reliable communication channels provided to the public. *Assurance* is measured by the company's response rate to the questions posted on its Facebook "wall" by the public. This response rate is calculated by dividing the number of questions posted by the public to the ten most recent posts by the number of times the company responded.

(5) *Networking* in this study is indicated by contacts with any other groups or organizations outside the corporation. *Networking* is measured by the number of "Likes" by the non-individual groups on Facebook official pages (zero groups=0; 1-2 groups=1; and 3 or more groups=2). Another indicator is whether one of the organization's ten posts tagged another group or public company or organization (ranging from 0 to 10).

(6) *Sharing of tasks* is measured by whether the company's posts include external public posts to solve a problem of mutual interest, such as "turn off the light for an hour to support our energy saving activity this Friday", or "join wild life protection". Scores ranging from 0 to 20 are collected based on the related posts from the ten posts.

3.3 Coding procedure

Two independent coders conducted the coding procedure in early 2015. Each coder was responsible for coding one luxury industry (goods or services). In the analysis, Facebook official pages, corporate wall posts, and user replies under each corporate wall post on Facebook official pages were used. The coders carefully

examined the Facebook official page of each corporation, which is the page where users have access to main information, such as the corporate information, post walls, and photo album. The coders recorded data that can be observed by reading though the page. Corporation-related information was coded first, followed by the content of the ten most recent posts with user replies. To test the reliability of the process, the two coders randomly exchanged ten companies' Facebook walls and 200 posts (Lombard et al., 2002).

3.4 Inter-coder reliability

Inter-coder reliability is a critical component of content analysis. According to Lombard et al. (2002), two or more coders are needed for a reliability test, and the percentage of samples for the reliability test should be 5% or more of the total sample size. Therefore, in this study, to test reliability, two coders randomly exchanged 10 companies' Facebook pages (10% of 100) and 200 posts (5% of 2,000).

Inter-coder reliability was calculated using Cohen's Kappa (Cohen, 1968). The results of each variable's inter-coder reliability are as follows: *access*(K=1); *positivity*(K=1); *openness/disclosure*(K=1); *assurance* (K=.8); *networking* (K=1); and *sharing of tasks* (K=.9). The level of reliability for each coding category exceeded the acceptable threshold of.8 suggested by Riffe et al. (2014).

3.5 Statistical analysis

Descriptive analysis was conducted for RQ1 and RQ2, and *t*-test analysis was conducted for RQ3 using statistical analysis software (SPSS 22). An independent *t*-test was applied to determine whether there is a statistically significant difference between the means of the two unrelated groups (Laerd Statistic, 2013).

4. Results

This study analyzes the Facebook official pages of 92 luxury brand corporations, including 54 luxury goods and 38 luxury hotels from different countries. The first research question (RQ1) focuses on the most frequently adopted relationship cultivation strategies by luxury brand corporations on their Facebook official pages. The results are shown in Table 2. According to the results, the most frequent strategy adopted by luxury brand corporations is *positivity*, followed by *openness/disclosure*, *access*, *assurance*, and *networking*. The least frequently adopted strategy is *sharing of tasks*.

Table 2. Luxury brand corporations' usage of indicator of relationship cultivation strategies on Facebook

Cultivation Strategies	Mean	Index[*]	Ranking
Access (Range from 0-4)	1.67	42	3
Positivity (Range from 0-10)	8.85	89	1
Openness/Disclosure (Range from 0-3)	2.30	77	2
Assurance (Percentage)	0.19	19	4
Networking (Range from 0-12)	1.90	16	5
Sharing of Tasks (Range from 0-10)	0.10	1	6

*Indexes were calculated by the following: mean score of composite strategy/ range of composite score×100.

Answering the second research question (RQ2), a slight difference was uncovered in strategy ranking between luxury goods and luxury services (hotels) industries. Although the most frequently used strategy is *positivity* and the least frequently used strategy is *sharing of tasks* for both industries, the whole ranking orders differ. In the second to fifth places for luxury goods are *openness/disclosure*, *access*, *networking*, and *assurance*, and for luxury services (hotels) are *openness/disclosure*, *assurance*, *access*, and *networking*.

The third research question (RQ3) examines differences in adopted relationship cultivation strategies between luxury goods and luxury hotel industries. An independent *t*-test was conducted to examine the differences between the two groups in adopting relationship cultivation strategies.

Table 3 shows that luxury hotel corporations adopt the *access* strategy more frequently than luxury goods corporations ($p < .001$). Table 4 provides detailed information on the differences between the two industries in using the *access* strategy. Among indicators of the *access* strategy, luxury services (hotels) are more likely to share their phone numbers than luxury goods corporations ($p < .001$). There is a significant difference in sharing the corporation's address between luxury goods and luxury hotels corporations. There is also a significant difference in sharing email contacts with the public ($p < .001$). However, there is no significant difference in sharing the corporation's website link.

Table 3. Luxury goods vs. services (hotels) brand corporations' usage of indicator of relationship cultivation strategies on Facebook

Cultivation Strategies	Luxury goods brands			Luxury services (hotels) brands		
	Mean	Index*	Ranking	Mean	Index*	Ranking
Access (Range from 0-4)	1.22	31	3	2.32	58	4
Positivity (Range from 0-10)	9.0	90	1	8.63	86	1
Openness/Disclosure (Range from 0-3)	2.20	73	2	2.45	82	2
Assurance (Percentage)	0.1	10	5	0.65	65	3
Networking (Range from 0-12)	1.76	15	4	2.11	18	5
Sharing of Task (Range from 0-10)	0.04	0.4	6	0.18	1.8	6

* *Indexes were calculated by the following: mean score of composite strategy/ range of composite score×100.*

Table 4. Relationship cultivation strategy used on luxury goods vs. services (hotels) brand corporations' Facebook

Access	Luxury goods brands ($N = 54$)		Luxury services (hotels) brands ($N=38$)	
	Percentage	*Frequency*	*Percentage*	*Frequency*
Phone number present*	4%	2	50%	19
Address present	11%	6	34%	13
Website link present	100%	54	100%	38
Email contact present*	7%	4	47%	18

	Luxury goods brands (*N* = 54)			Luxury services (hotels) brands (*N*=38)		
Positivity	*Mean*			*Mean*		
Number of photos in 10 posts from each brand	7.85			8.26		
Number of videos in 10 posts from each brand*	1.15			0.37		
Openness/Disclosure	*Percentage*		*Frequency*	*Percentage*		*Frequency*
"About" Section	100%		54	97%		37
"Foundation" Section	89%		48	95%		36
"Mission Statement" Section	30%		17	53%		20
Assurance						
Number of questions posted by the public under 540 posts	122			23		
Number of questions responded to the public	12			15		
Response rate of assurances	10%			65%		
Networking						
Number of non-self-serving groups liked by organization	*Percentage*	*Frequency*	*Mean*	*Percentage*	*Frequency*	*Mean*
None	24%	5		24%	9	
1-2 groups	9%	13		8%	3	
3 or more groups	67%	36		68%	26	
Number of non-self-serving groups tagged in 10 posts			0.33			*0.66*
Sharing of Tasks	*Mean*			*Mean*		
Number of posts out of 10 that involve working with the public to solve community problems	0.04			0.18		

Luxury goods and luxury services (hotels) corporations show no difference in the adoption of the *positivity* strategy (see Table 3). Table 4 shows detailed information on the differences between the two industries in using the *positivity* strategy. As indicated by Table 4, there is no difference in using photos between the two industries on Facebook. Luxury goods corporations more frequently post videos on their Facebook official pages compared to luxury services (hotels) corporations ($p < .001$).

Luxury goods and luxury services (hotels) corporations show no difference in adopting the *openness/disclosure* strategy (see Table 3). Luxury goods and luxury services (hotels) corporations adopt all three indicators (the "About", "Founded", and "Mission Statement" sections) of the *openness/disclosure* strategy at similar frequencies (see Table 4).

Luxury services (hotels) corporations use the *assurance* strategy more frequently than luxury goods corporations ($p < .001$) (see Table 3). The differences in use of indicators between the two industries are shown

in Table 4. According to the table, the response rate, which indicates the level of assurance, for luxury services (hotels) corporations is 65%, whereas for luxury goods corporations it is only 10%. Therefore, luxury services (hotels) corporations are more likely to respond to questions posted by the public on their Facebook pages.

There is no significant difference in adopting the *networking* strategy between the two industries (see Table 3). More specifically, the differences in the number of non-self-serving groups liked by corporations and number of non-serving groups tagged in the ten most recent posts between the two industries are insignificant (see Table 4).

Luxury services (hotels) corporations use the *sharing of tasks* strategy more frequently than luxury goods corporations ($p < .001$) (see Table 3). However, both luxury goods and luxury services (hotels) corporations use it the least frequently of all the strategies (see Table 4).

5. Discussion

By analyzing Facebook official pages, this study summarizes the current overall use of Facebook by luxury brand corporations and compares the differences in use between the goods and service industries. The primary goal of this study is to analyze how luxury brand corporations use Facebook as a public relations tool to cultivate and maintain relationships with the public.

First, the study examines the contents of Facebook official pages of luxury brand corporations to learn the most and least popular strategies adopted by the corporations. The results of this study show that *positivity* is the most frequently used strategy, whereas the least frequently used strategy is *sharing of tasks*. The findings confirm that *openness/disclosure*, *access*, and *positivity* are more often used by profit-oriented corporations as relationship cultivation strategies on Facebook (O'Neil, 2014). One possible reason that *positivity* is the top strategy used by luxury brand corporations is due to specific characteristics of luxury products. Luxury products, both goods and services, try to provide the public with a sense of prestige and premium quality of life. With the help of fancy model pictures, premium-priced products, and high-end lifestyle images, the public can easily be pleased and attracted. Another reason is that profit-oriented organizations' primary goal is to gain profits by attracting both existing and potential customers.

Sharing of tasks is the least frequently used strategy of luxury brand corporations on Facebook official pages. The average number of *sharing of tasks* indicators is 0.1, meaning luxury brands focus less on non-profit activities online. Among all 92 luxury brand corporations, there was only one posted activity related to the World Wildlife Foundation (WWF), and fewer than five corporations had expressed concerns about environmental issues. This result indicates that luxury brand corporations fail to participate in social responsibility efforts. According to Davies et al. (2012), ethical considerations are easily disregarded during the decision-making process in purchasing luxury goods. Consumers' low response rates to luxury brand's socially responsible efforts might be due to the lack of related information. Related studies point out that consumers are unlikely to consider corporate social responsibility (CSR) as a driver of purchase when relevant information is insufficient (Bray et al., 2011; Öberseder et al., 2011). Therefore, by providing the public with more information about CSR activities, luxury brands can encourage consumers to be aware of the environmental and social influence of the luxury products they purchase. In addition, using SNSs can offer more opportunities to the public to learn what types of CSR activities luxury brands do. Although for profit-oriented firms, taking part in social responsibility activities does not directly gain profits or increase market share, evidence shows that corporations can strengthen consumers' brand attachment by making social responsibility efforts, which is a path to brand loyalty and long-term profits (Ahluwalia and Kaikati, 2010; Kull and Heath, 2016).

Beyond the research questions stated above, we found that the *openness/disclosure* strategy has not been fully used by luxury brand corporations. According to Ki and Hon (2006), *openness/disclosure* is the most frequently used strategy on Fortune 500 corporations' websites, but the current study finds that it is used less frequently on SNSs. We define the *openness/disclosure* strategy as the level of sharing the corporation's information in the "About", "Founded", and "Mission Statement" sections. Although most luxury brand corporations have the "About" and "Founded" sections on their official pages, a large number do not have their "Mission Statement" posted online. A mission statement, often one or two sentences or a short paragraph, tends to abstractly possess a strategic level of company's general mission (Fairhurst, 1993). A mission statement can be viewed as the most visible part of the corporation's strategic plan. The current result is different from those of previous studies on corporations' websites, which find that almost all companies display their mission statements on their websites. Nevertheless, only 30% of luxury goods corporations and half of luxury services (hotels) corporations analyzed in this study post mission statements. Therefore, luxury corporations need to show their mission statements on their Facebook official pages to help the public know more about their chosen pathways.

In terms of the *access* strategy, only 23% of luxury brand corporations have their telephone numbers shown on their Facebook pages, 21% have their company addresses on the pages, and 24% have their email contact information. Even though all the luxury brand corporations provide links to their companies' official website, they must also offer basic contact information because Facebook and other SNSs are now more frequently used by the public to find out *About* and get in touch with corporations. Therefore, in order to build better relationships with customers and provide them with a comprehensive contact information platform, it is necessary for luxury brand corporations to add their department phone numbers, customer contact emails and company addresses on their Facebook official pages to make them easily reached by the public.

Further, the current findings show that most luxury brand corporations are "liked "by more than three non-self-serving groups. A "like" of another user, organization, or brand provides virtual endorsement, which means the subject is publicly supported in the virtual community (Lee et al., 2016). This result indicates that most luxury brand corporations considered in this study have broad relationship networks with other groups and organizations. However, the average number of "tagged" posts in the ten most recent posts is only .47, even less than one. Users on Facebook use the "tag" function to send news and posts to their friends (Oeldorf-Hirsch and Sundar, 2015). By applying the "tag" function to a post, luxury brand corporations can notify one or several specific Facebook users about new posts, so those "tagged" users can read the post. The advantage of using the "tag" function is to attract users' attention to the post and create a sense of community with those who have been tagged. Luxury brand corporations should use the "tag" function more frequently when making new posts to increase interactions with outside groups in order to spread the companies' information and news to more people.

The second goal of this research is to examine the differences between luxury goods and luxury services (hotels) corporations in how they use Facebook to build relationships with the public. The results suggest that both luxury goods and luxury services (hotels) corporations adopt *positivity* as their most often used strategy and *sharing of tasks* as the least used strategy. The result is the same for the overall strategy use in the luxury industry. However, there are differences in how the two industries apply relationship cultivation strategies. In particular, luxury services (hotels) corporations are more likely to communicate with the public over their Facebook official pages. For example, the question response rate of luxury services (hotels) corporations is 65%, while that of luxury goods corporations is only 10%. The reason for this finding might be that the services industry requires closer relationships with the public compared to the goods industry. Higher customer involvement is needed for services since the services industry provides customers with experiences and feelings

instead of merely products. Therefore, building and maintaining good corporation-public relationships is extremely important. Another reason for this result might be that luxury goods corporations can also adopt other marketing tools, such as fashion shows, celebrity endorsement, and advertising, to communicate with the public, so those corporations focus less on maintaining their Facebook pages.

Nevertheless, luxury goods and services (hotels) corporations do not differ in their use of either the *positivity* or *networking* strategies. A large number of photos are posted on Facebook official pages by the two industries. Facebook provides a perfect platform for corporations to display their goods and services. Furthermore, both industries focus more on building their networks than on frequent interactions with those networks.

6. Conclusion

This study collected information on 92 luxury brand corporations' Facebook official pages to analyze the use of Facebook in public relationships cultivation. SNSs like Facebook have made it possible for corporations to communicate directly with the public and share user-generated materials (Kent, 2013; Valentini and Kruckeberg, 2012). Both scholars and practitioners have explored the elements and benefits of social networking for corporations and the public. This study finds that most luxury brand corporations provide their official Facebook pages, providing transparent profiles and conducting activities using Facebook. There are some differences in the use of Facebook between the luxury goods and luxury services (hotels) industries in that luxury services corporations are more active on Facebook. However, neither industry has taken full advantage of the opportunities offered by Facebook.

6.1 Contributions

By analyzing relationship cultivation strategies used by luxury brand corporations, we are able to gain better understanding of these strategies and the differences in how they are used by the luxury services (hotels) and luxury goods industries. We also find contrasting results compared to previous research. Our results show that *positivity* is the top strategy used by luxury brand corporations on their Facebook pages, whereas Ki and Hon (2006) and O'Neil (2014) conclude that *openness/disclosure* is the most frequently used strategy by profit-oriented corporations. This finding suggests that luxury brand corporations, as a special type of profit-oriented organizations, have their own operating styles when facing specific target groups of consumers. Not only relationship cultivation strategies but also other public relations strategies and theories should be examined separately for luxury brand corporations. For example, the dialogic strategy can be applied to luxury brands' websites to examine communications online.

The findings of this research can also be applied in practical marketing by providing suggestions for improvement. First, luxury brand corporations should make their phone numbers and email contact information more accessible to the public. Second, luxury brand corporations should have more-frequent interactions with non-self-serving groups and organizations to keep close relationships inside the network. Third, Facebook is a great platform for luxury brands to announce their social responsibility efforts to the public, and corporations should deliver more positive attitude to the public and increase their corporate public image by sharing information on community outreach, support for education, environmental protection, and similar activities the company engages in. Fourth, luxury goods corporations need to provide the public with a higher level of assurance by responding to questions posted by the public on SNSs. Although this research finds that only a small number of people ask corporations questions on their Facebook pages, it is necessary to address those questions well. Finally, luxury goods corporations do not use Facebook as a public relations tool as effectively

as luxury hotel corporations do. Corporations' Facebook official pages work as a powerful relationship tool to help increase public awareness and understanding of corporations and their products and services. More importantly, effective use of social media is crucial for relationship management.

6.2 Limitations and future research

As with any other study, this research has limitations. First, this study only focuses on the top 38 luxury hotels and top 54 luxury goods corporations. Further research can analyze other luxury goods and luxury services corporations not in the top rankings to see if there are differences between successful and unsuccessful luxury brand corporations. Second, this study examines only 10 posts and replies to the posts of each corporation; this is a very small part of the corporation's Facebook information. Third, this research only focuses on luxury goods and services (hotels) corporations. Other industries related to luxury services and more specific categories of luxury goods corporations can also be studied. For example, luxury restaurants and luxury vacation resorts can represent the luxury services industry, and luxury goods can also be split into the luxury fashion, luxury cars, luxury liquor, and luxury cosmetics industries, among others. Moreover, this study only compares differences between types of luxury brand corporations. The next step can be to consider differences between countries, for example. Finally, future researchers can focus on comparing the application of relationship cultivation strategies by different luxury brands categories or investigate the differences between luxury brands goods and common brands goods.

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