Introducing

DIGITAL PARTNERS
DRIVING INNOVATION

Luxury Transparency & Traceability Roundtable

Digital Partners (Switzerland/ Spain) is a leading company with expertise in Data Driven Artificial Intelligence Platforms and Strategic analysis for international organisations, Luxury, Health organisations, Sport and Public Services verticals.

Digital Partners SA was founded in early 2016 and offers Digital Services and Technical platforms to address today Business transformation challenges using the best of breed technologies and Software's using Big Data, Artificial Intelligence and Analytics.

Our vision, mission and delivery model is resumed below

Figure 1 – Vision and Mission

Digital Transformation (Why)

Digital Innovation (How)

Digital Technologies (What)

Value Proposal
Our Services & Products
Help International organizations
Who leverage Innovative scenarios
By reducing the risk to be disrupted
And leveraging new Business Models
Unlike

Vision
Become an International leading company in Digital Strategy and technologies for International Organizations
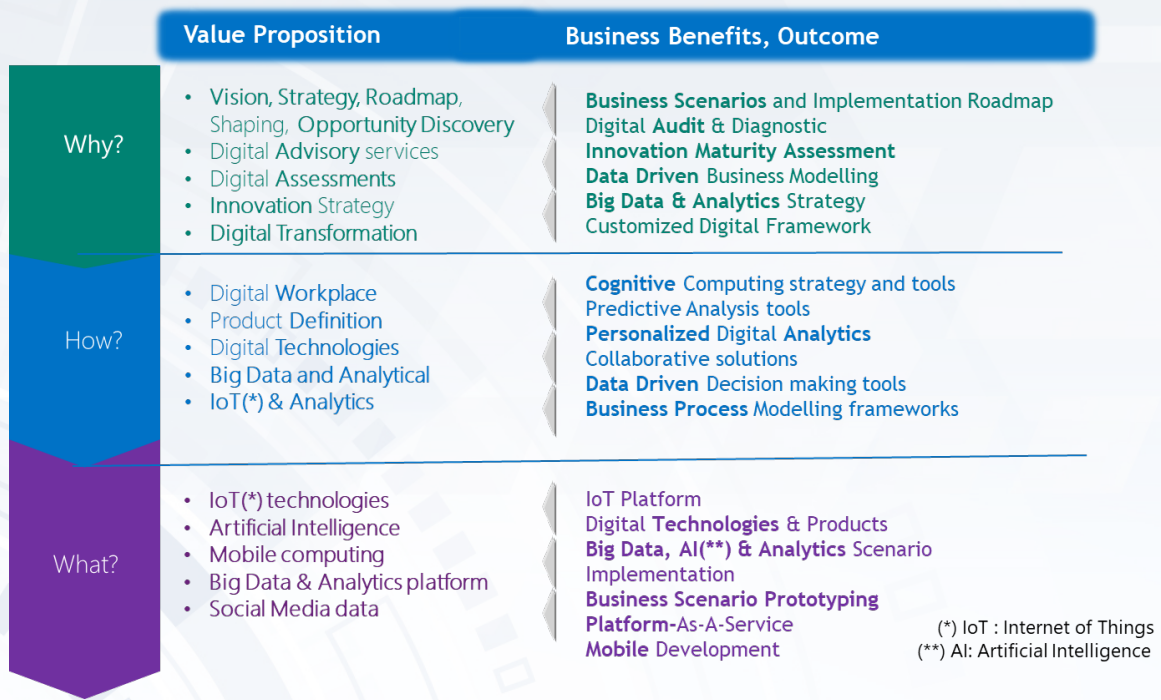
Mission
- Partner with innovative clients on digital programs
- Help them anticipate and prioritize disruptive and complex challenges using innovative scenarios
- Define Data driven Business use cases
- Leverage our technical expertise to demonstrate the use cases

Delivery Model
- Develop Impactful Strategies
- Develop digital platform and product-based offerings
- A highly competent team of innovation experts (AI, Big Data, Blockchain, IoT)
- Partner with global technical leaders academic and emerging start-ups

Digital Partners draws on an extended network of partners to foster innovation in a variety of contexts. Our Value proposition is the following:

Figure 2 –Value proposition

	Value Proposition	Business Benefits, Outcome
Why?	• Vision, Strategy, Roadmap, Shaping, Opportunity Discovery • Digital Advisory services • Digital Assessments • Innovation Strategy • Digital Transformation	**Business Scenarios** and Implementation Roadmap Digital **Audit** & Diagnostic **Innovation Maturity Assessment** **Data Driven** Business Modelling **Big Data & Analytics** Strategy Customized Digital Framework
How?	• Digital Workplace • Product Definition • Digital Technologies • Big Data and Analytical • IoT(*) & Analytics	**Cognitive** Computing strategy and tools Predictive Analysis tools **Personalized** Digital **Analytics** Collaborative solutions **Data Driven** Decision making tools **Business Process** Modelling frameworks
What?	• IoT(*) technologies • Artificial Intelligence • Mobile computing • Big Data & Analytics platform • Social Media data	IoT Platform Digital **Technologies** & Products **Big Data, AI(**) & Analytics** Scenario Implementation **Business Scenario Prototyping** **Platform**-As-A-Service **Mobile** Development

(*) IoT : Internet of Things
(**) AI: Artificial Intelligence

OUR SERVICES AND PRODUCTS

Our Services

Businesses need to create a seamless brand experience, projecting their brand clearly across the many touch points, channels and devices their customers use. They also need to leverage analytics and the wealth of data available in and around the business to sense and shape market opportunities ahead of their competition. Such a digital strategy is an important step toward becoming an intuitive enterprise.

At Digital Partners, we help companies to define relevant business scenarios that can be implemented through Digital transformation projects. Our Digital Strategy practice helps executives understand, envision and articulate digital as a business strategy and implement it using a road map that delivers on the brand promise across channels. This can imply different areas of transformation:

• **Business Model Transformation.**

• **Process Transformation.**

• **Domain Transformation.**

• **Organization Transformation.**

Our Products

We provide a Global social media and web monitoring platform ingesting Big data to provide Powerful insight at the speed of the consumer using artificial intelligence and machine learning in an expert-designed data structuring and visualization.

Figure 3 – Overview of our products

- **Built for the needs of large, complex organizations.**
- **Fast adoption:**
- **High-value turnkey use cases**
- **Library of expert-designed research queries**
- **Insight without need to define specific queries.**
- **Rapid user onboarding**
- **Robust & fully compliant access to global data**
- **Industry-leading AI, text and image analysis**
- **Unlimited customization**
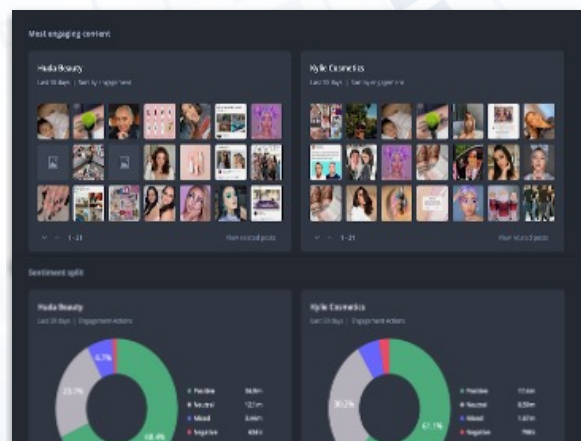
The potential business needs:

- Analyze and measure customer experience.

- Identify and activate your tribes.

- Measure brand equity and perception

- Measure campaign performance

- Benchmark your brand against the competition.

- Create more engaging content.

- Discover, vet and measure influencers.

- Identify emerging trends.

- Manage crises and monitor brand reputation.

Robust access to global and local data:

- Strong coverage in China, Apac & Russia with access to Sina Weibo, WeChat, Little Red Book, VKontakte, Naver, Zhihu, Toutiao, QQ, Bilibili, ...

- Exclusive partnerships and integrations with key western social media platforms: Facebook, Instagram, Twitter, Youtube, Pinterest, Tiktok, Twitch, .Reddit, ...

- Blogs, Forums, review sites, news

- Fully compliant with those platforms
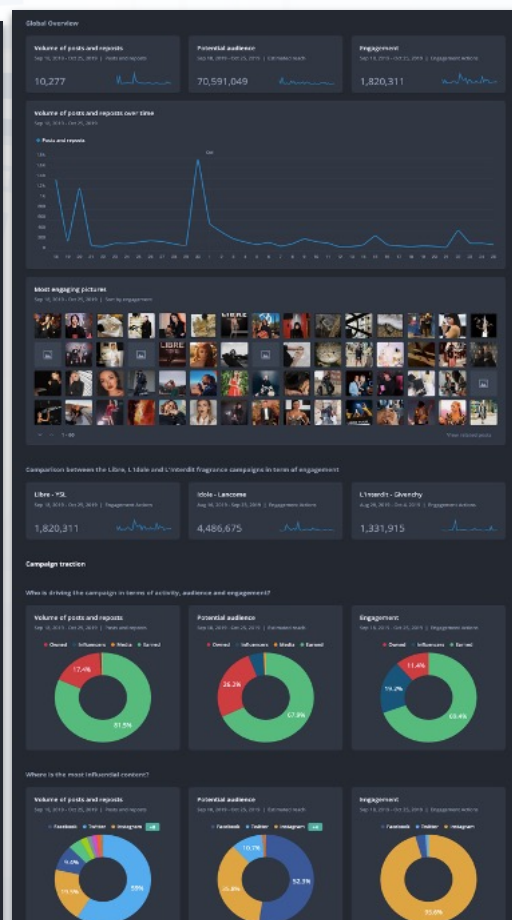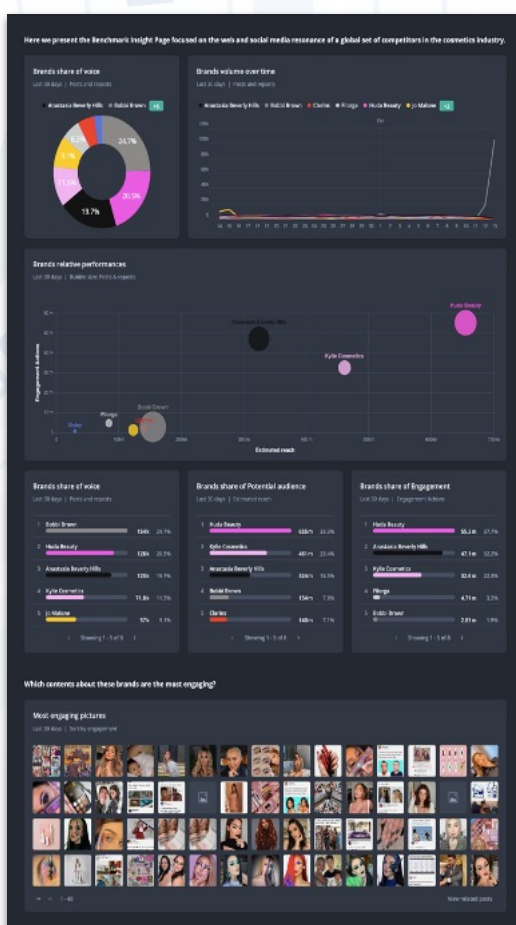
LUXURY BRANDS ON SOCIAL MEDIA

The rapid proliferation of social media has been redefining every facet of the old marketing and customer engagement tactics, not only for low-end and mass-market products but also for luxury brands. In this context, brands are dealing with the challenge of maintaining a balance between using mass marketing strategies concurrent with accentuating the exclusivity of their offerings. Social media can be considered beneficial if brands employ it to reach the right audience and use the right platform and incorporating the right content.

Currently, customer behavior towards brands has been altered profoundly throughout the entire purchase process and decision-making stages from the awareness and recognition of needs to later stages and beyond. Social media provides the potential to communicate and interact with highly involved users and build relationships and bonds between individuals, who will subsequently positively represent the brand to their social media communities. Social media has a considerable effect on consumer behavior from the phase of information acquisition to later on in the post-purchase stage through interactions such as (dis) satisfaction statements.

An overview of the frequency of posts by brands (see Figure 5) reveals that September,

October, January, and February, with the greatest number of posts, create the highest peaks, likely due to the spring/summer and fall/winter international fashion weeks. On the other hand, December and August, with the least number of posts, are in the last two places. The three companies that published the most posts were D&G, Gucci, and Valentino.

Figure 5 – Post frequency per month by each brand
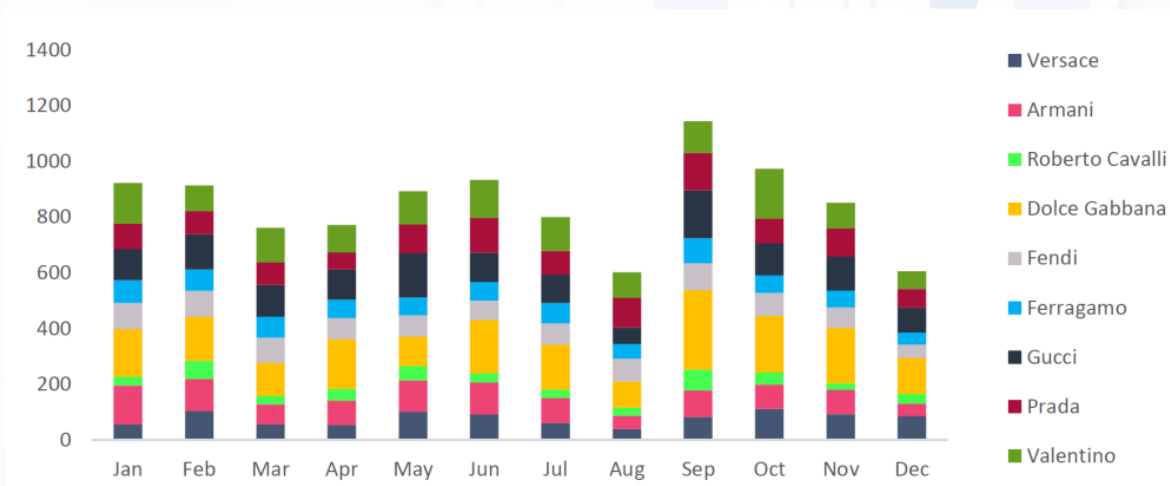
Among the first notions that social media users will consider are the people that have

a starring role in the photos or videos. Celebrities and luxury are inseparable, with one completing the other. Likewise, people have been classified into three categories in a study analyzing Brand Awareness Strategies on Social Media in the Luxury Market .

BRAND RISK DETECTION

Brand risk refers to the potential harm that a company's reputation and financial performance may face as a result of negative public opinion, regulatory actions, or other external factors. This can include risks related to product safety, environmental concerns, financial fraud, or other issues that may damage the company's reputation or lead to financial losses. Companies may take steps to manage brand risk by monitoring public opinion, implementing risk management practices, and communicating effectively with stakeholders.

The brand name is among the most highly valued assets of a company. A solid brand is able to easily acquire new customers while also retaining existing customers. It also acts as a platform for launching new products. Studies have revealed that having strong brand results in greater returns but with less risk. But a business's branding strategies can also wind up putting them in a risky position, which can be disastrous for revenue, cash flow, brand equity, and investors' value.

There are several methods and tools that companies can use to detect brand risks, including:

- Social media monitoring: Companies can use social media monitoring tools to track mentions of their brand, products, and competitors on social media platforms, and identify potential risks.

- News Monitoring: Companies can use news monitoring tools to track mentions of their brand, products, and competitors in the news and identify potential risks.

- Web Monitoring: companies can use semantical (text recognition) and cognitive (Image recognition), sentiment analysis technologies to monitor the mention and associated content.

- Vidéo Monitoring: Companies can use monitoring tools to track mentions of the vidéos mentioning their brand, and identify potential risks

EXAMPLES OF LUXURY BRANDS EXPOSURE

Dolce & Gabbana under fire over racism accusations

In their effort to get a better foothold in the multi-billion-dollar Chinese fashion market, the legendary Italian fashion brand Dolce & Gabbana arranged a star-studded Shanghai fashion show, and to promote it, they released an ad. The only problem was that the ad was extremely offensive to the very people they were targeting.

In it, a young Asian woman is seen giggling as she tries to eat pizza and pasta with chopsticks — an image that is rife with Asian stereotypes and makes her look inept.

To make matters worse, the outspoken designers made racist comments on their Instagram profile, later claiming the account had been hacked.

Figure 6 – Vidéo Ad
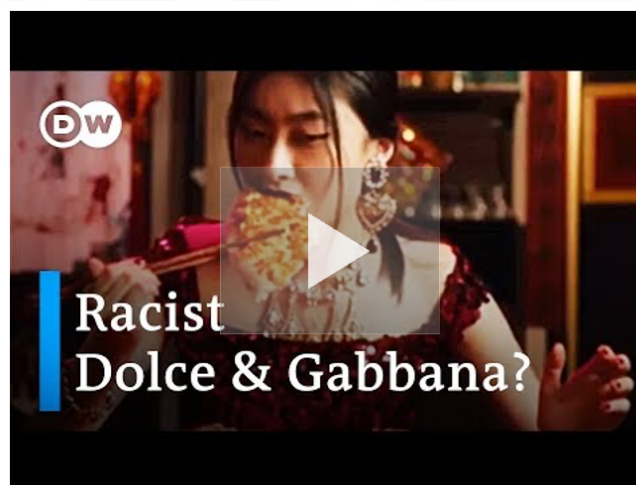
In a video, the pair apologized, but the damage was already done, big time. The reaction was immediate and overwhelming, with Chinese celebrities pulling out of the fashion show, and customers posting videos of themselves destroying their Dolce & Gabbana goods, vowing never to buy the brand again. Soon after, the pricey fashion show was cancelled.

Figure 7 – Video response

CHANEL "COCO SERVED HOT"

Photographer Billy Kidd is being criticized for a photo shoot he did in the August issue of Interview Magazine that people say reinforces Asian racial stereotypes.

Entitled "Coco Served Hot," the images portrayed an Asian woman in a traditional Asian farmer's hat walking in New York's Chinatown lifting a bindle stick on which were hung bags that look like knock-off products. The woman is wearing head-to-to Chanel from her conical straw hat emblazoned with a Chanel logo to the Chanel Gabrielle handbags to her sandals. People were infuriated over the image because it seemed to associate the Chinatown worker with counterfeit luxury goods.

Figure 8 – Coco Served Hot picture

Fake news, online counterfeit activities, Sustainable fashion

- Fake accounts on social media are not only used to spread misinformation but also boost the reach of certain influencers. It turns out that luxury brands do not differ but are rather among the most affected by this phenomenon.

- Social Media platforms have emerged as hot spots for counterfeit offenders who exploit a range of social and private messaging tools to reach like Facebook, Instagram and WhatsApp

- Numerous brands utilize social media to capture consumers' interests while promoting their sustainability goals. Social media presents opportunities for fashion brands to attract the attention of younger generations, build a brand image, and promote product.

FAKE NEWS AND FAKE ACCOUNTS

Fake news, fake likes, and fake social media followers – FAKE and Disinformation has been one of the hottest words over the past couple of years. Fake accounts on social media are not only used to spread misinformation but also boost the reach of certain influencers. It turns out that luxury brands do not differ but are rather among the most affected by this phenomenon.

A study report has checked which luxury fashion brands have the largest percentage of fake followers on Instagram. They picked the 20 most popular brands across industries such as fashion, cosmetics, jewelry and watches. According to the fake account checker tool they used, 19 of the 20 most prominent fashion brands have at least a quarter of their followers flagged as fake or suspicious at minimum. Furthermore, with the leading brands in their ranking the fake-follower percentage is nearing a third of all followers.

Figure 9 – Luxury Fashion brands with the most Fake profiles

Luxury Fashion Brands with the Most Fake Followers
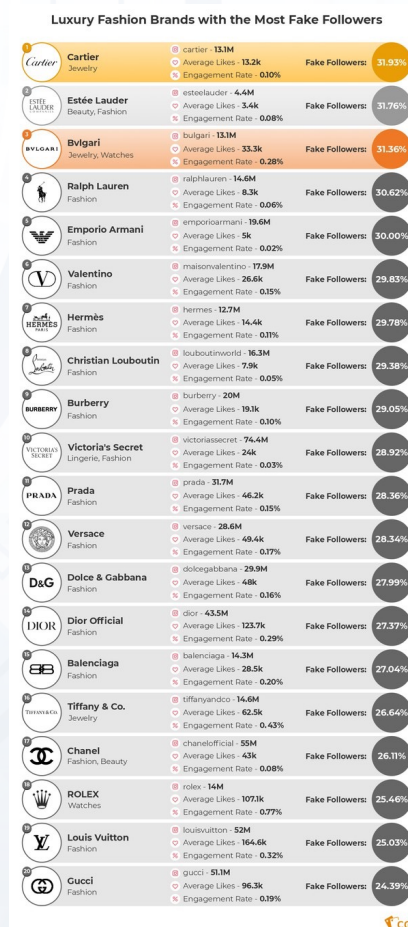
Fake Instagram accounts – possibly in the millions – are being created every single day. Consumer brands, popular influencers, famous actors and singers are the most likely to have fake followers. A significant percentage of the followers of top fashion brands are also fake.

ONLINE COUNTERFEIT

Facebook, Instagram Are Hot Spots for counterfeit Louis Vuitton, Gucci and Chanel. The Meta-owned social media sites have become key marketplaces for counterfeit luxury goods.

Figure 10 – Counterfeiters hawking imitations of luxury brands

Its platforms have emerged as hot spots for counterfeit offenders who exploit their range of social and private messaging tools to reach users, according to interviews with academics, industry groups and counterfeit investigators, who likened brands' attempts at policing services like Facebook, Instagram and WhatsApp.

Research, led by social media analytics firm Ghost Data and shared exclusively with Reuters, showed counterfeiters hawking imitations of luxury brands including Gucci, Louis Vuitton, Fendi, Prada and Chanel.

It identified more than 26,000 active counterfeiters' accounts operating on Facebook in a June-October 2021 study, the first time its counterfeit research had focused on Meta's flagship app, and it found more than 20,000 active counterfeiters' accounts on Instagram, up from its count the previous year but down from a 2019 peak when they identified about 56,000 accounts. About 65 percent of the accounts found in 2021 were based in China, followed by 14 percent in Russia and 7.5 percent in Turkey.

Impact of Fashion Brand Sustainability on Consumer Purchasing Decisions

The definitions of sustainable fashion in the literature vary; however, they all include the same elements— the impact of the fashion industry on the environment and all stakeholders through different aspects, including society as a whole. It is possible to distinguish eight dimensions making up the sustainable fashion construct .

1. Recycled—Recycled apparel products are made from reclaimed materials from used clothing.

2. Organic—Organic products are made from natural sources without any pesticides and toxic elements and/or raw materials.

3. Vintage—Refers to any second-hand clothes and up-cycled clothes that have been given a new life.

4. Vegan—Products that do not contain leather or animal tissue products.

5. Artisan—Products that continue the skills of ancestral traditions.

6. Locally made—Includes products that require little transportation and contribute to the local economy.

7. Custom made—The goal of this personalized design is to encourage quality and slow fashion design rather than mass-produced disposable fashion.
8. Fair Trade certified—Includes products made by companies that show respect for employees and their human rights.

An online questionnaire created on the Google Forms platform was used to conduct quantitative research. The research was carried out in January of 2021.

The respondents were asked to indicate, on a five-point Likert scale, the degree to which they agree or disagree with five statements describing their apparel purchase behavior. The statements read as follows:

1. The sustainability of fashion brands is not a factor in my decision to buy their clothing
2. Before buying I search information about the fashion brand's sustainability policies and reputation, but this is not a key factor in my decision.
3. Fashion brands' sustainability policies have an impact on my decision to buy their clothing.
4. Sustainability is a marketing gimmick, and in my opinion, it is not truly a part of the fashion brand's strategy.
5. I prefer to buy clothing from fashion brands that have a sustainable clothing line.

   The second statement was used to test. Figure 1 shows the respondents' agreement with the statements on the five-point Likert scale: 1—strongly disagree, to 5- strongly agree. The result is that 30,80% and 4.18% of the respondents Strongly disagree and disagree and search information online about the fashion brand's sustainability policy before buying its products.

Figure 11 – Distribution of respondents' agreement with the second item

Before buying an item of clothing, I search for information about the fashion brand's sustainability policies, practices, and reputation but this is not a key factor in my decision.

- 1 - strongly disagree
- 2 - disagree
- 3 - neither agree nor disagree
- 4 - agree
- 5 - strongly agree

4.18%
11.79%
30.80%
23.95%
29.28%

The Use of social media to Promote Sustainable Fashion and Benefit Communications is key in this context. Therefore, fashion brands exploit social media by posting images and textual information that promote sustainability events and campaigns while demonstrating the beauty of the natural wild aligned with their products.