



Digitalization: the transformation of the frontline employees' roles in luxury brands

Catarina Saldanha

The dissertation is written under the supervision of Ms. Laure
Leglise

Dissertation submitted in partial fulfillment of requirements for the MSc
in Management with Specialization in Strategic Marketing, at the
Universidade Católica Portuguesa, January 2021.

Acknowledgments

I cannot start without express that the completion of my dissertation would not have been possible without the fostering and supportive environment of my parents and my sister. They thoroughly believed in my work and abilities. Thank you for teaching me your values.

Moreover, I would like to give a special thanks to my grandma Nina, who is not between us anymore and did not read my thesis complete. Also, I would like to extend it to my grandma Ió, my grandpa Pedro and Aunt Helena.

I would like to prolong my sincere gratitude to my boyfriend Gabriele, who gave me unstinting support. Grazie mille!!

I am grateful to Cláudia, Jéssica and Inês as they gave me appreciated and constructive advice for this dissertation.

I also had the wide pleasure of working with Joana Mariano, who was with me during the time we went to Avenida da Liberdade to try to schedule interviews and was an unconditional support during the creation of this dissertation.

I would like to add that I am very much prized for the full support that Camila and Joana gave me during the dissertation period, never letting me down.

Moreover, I would like to thank to my best friend Joana and Sofia for being present in all of the biggest moments of my life, since we were kids.

Additionally, thanks to Ju, Afonso, Xico, Marta, Constança, Margarida, and Joana for your encouragement during this path of my life.

Also, thanks to Patrícia and Sofia for our breaks and support during my thesis semester.

To Ana, my Brazilian friend, who even living in another country, is always with me, supporting me.

I would like to thank Vanessa, Yvan, Eloi to meet them during the master's program and have the opportunity to spend time with them. Thank you for being always here for me, in every moment.

Moreover, I would like to recognize that this dissertation would not have been possible without the help and assistance of all the interviewees. And I want to thank Professor Laure for helping me writing down my dissertation.

Abstract

Title: Digitalization: the transformation of the frontline employees' role in luxury brands

Author: Catarina Saldanha

The luxury employees' roles face a gap. Previous literature examines the importance of employees' roles in the luxury field. However, when it comes to the influence of digital roles, it was formerly studied, but not in the luxury setting. This thesis examines how digitalization influence the employees' roles to create a luxury experience. To answer my research question, I conducted a comparative case study on four companies: Versace, Gucci, Loja das Meias and Josefinas. My findings show that employees' roles are not only "enablers", "innovators", "differentiators" and "coordinators", but also "educators", "personal shopper" and "clienteling". Moreover, my results show that the digital augmentation role influences "enabler", "coordinator", and "innovator" roles and the digital network facilitator role affects the other employees' roles.

Keywords: Digitalization, luxury, frontline employee roles, sales assistants, luxury experience, employee-customer relationship, fashion, clienteling

Sumário

Título: Digitalização: a transformação dos papéis dos assistentes de loja nas marcas de luxo

Autor: Catarina Saldanha

Os papéis dos empregados de luxo enfrentam uma lacuna. A literatura anterior examina a importância dos papéis dos empregados no campo do luxo. No entanto, quando se trata da influência dos papéis do digital, anteriormente foi estudada, mas não no âmbito do luxo. Esta tese examina como a digitalização influencia os papéis dos empregados de modo a criar uma experiência de luxo. Para responder à minha questão de pesquisa, conduzi um estudo de caso comparativo sobre empresas com diferentes modelos de negócio: Versace, Gucci, Loja das Meias e Josefinas. As minhas conclusões propõem que os papéis dos empregados não são apenas "facilitadores", "inovadores", "diferenciadores" e "coordenadores", mas também "educadores", "personal shopper" e "clienteling". Os meus resultados mostram que a função do

digital de assistir os empregados influencia as funções de "facilitador", "coordenador" e "inovador". A função do digital de facilitador de interações afeta as funções dos empregados de loja.

Palavras-Chave: Digitalização, luxo, assistentes de venda, experiência do luxo, relação empregado-cliente, moda

Table of Contents

Acknowledgments	2
Abstract.....	3
Sumário.....	3
Table of Contents	5
Table of Figures.....	7
List of Tables.....	7
CHAPTER I: INTRODUCTION	9
CHAPTER II: LITERATURE REVIEW	12
2.1. <i>Luxury definition and the importance of the experience for customers in luxury brands</i>	12
2.1.1. Defining luxury	12
2.1.2. Luxury customers	12
2.2. <i>The contribution of the in-store service to the luxury experience</i>	13
2.2.1. Defining luxury service	13
2.2.2. Defining a service experience: the stages.....	14
2.2.3. Defining luxury experience and “its zones”	16
2.3. <i>Employees’ skills, interactions and roles in the in-store service</i>	17
2.3.1. Luxury frontline employee desired skills	18
2.3.2. The interaction between employees and customers	18
2.3.3. Frontline employees’ roles	19
2.4. <i>The challenge of digitalization for the in-store service and its contribution to the luxury experience</i>	20
2.4.1. Consumers’ motivations towards digitalization	20
2.4.2. Interactions mediated by digital in the luxury field.....	21
2.4.3. Defining digital roles	23
2.4.4. COVID: an opportunity to embrace digital	24
CHAPTER III: METHODOLOGY	26
3.1. <i>Research Design</i>	26
3.1.1. The choice of a qualitative approach.....	26
3.1.2. A comparative case studies	26
3.2. <i>Data Collection</i>	27
3.3. <i>Data Analysis</i>	28

CHAPTER IV: EMPIRICAL SETTING.....	31
4.1. Josefinas	31
4.2 Loja das Meias.....	32
4.3. Versace	33
4.4. Gucci.....	34
CHAPTER V: FINDINGS.....	36
5.1. <i>Transforming employees into “enablers”</i>	36
5.1.1. <i>The influence of digital on “enablers”</i>	36
5.1.2. <i>Stimulating the luxury experience through “enablers”</i>	36
5.2. <i>Converting employees into “innovators” and motivating a luxury experience</i>	37
5.3. <i>Converting employees into “Coordinators”</i>	38
5.3.1. <i>Coordinating employee-digital-consumer relationship</i>	38
5.3.2. <i>Coordinating the support of CRM</i>	39
5.3.2.1. <i>Clear use of digital information</i>	40
5.3.2.2. <i>A way to individualize the experience</i>	40
5.3.3. <i>Coordinating Employee-CRM relationship: When employees add information to the digital to create a personalized experience</i>	41
5.3.4. <i>Coordinating employee and clienteling relation: when employees ask the help of the clienteling department to design a unique experience</i>	42
5.3.5. <i>Employee- stock manager: a relationship mediated by digital</i>	42
5.4. <i>Transforming employees into “differentiators” in a relationship with customers</i> ...	43
5.5. <i>Digital facilitating the personal shopper role</i>	43
5.6. <i>Educator role generated through digital training</i>	44
5.6.1. <i>The digital training</i>	44
5.6.2. <i>Cultivating escapism through storytelling</i>	45
5.7. <i>Digital influence over clienteling role to deliver a personalized experience</i>	45
CHAPTER VI: DISCUSSION AND CONCLUSIONS	47
REFERENCES	55
APPENDIX	65
<i>Appendix 1: Literature Review</i>	65
<i>Appendix 2: Methodology</i>	67
<i>Appendix 3: Findings</i>	84

Table of Figures

Figure 1 - Conceptual framework of service encounters throughout the service experience (Voorhees et al., 2017, p.271)	16
Figure 2 - Luxury Experiential Framework (Atwal & Williams, 2009, p.342).	17
Figure 3 – Generations Y and Z will represent 55% of the global personal luxury goods market in 2025 (D’Arpizio et al., 2020, p. 26).....	21
Figure 4 - Conceptual Framework of multi-actor interactions in luxury service encounter (Holmqvist, Wirtz, et al., 2020, p. 4)	22
Figure 5 – Conceptual Framework (Larivière et al., 2017, p.241).....	23
Figure 6 – Today’s omnichannel world typically involves many touchpoints (Barton et al., 2016, p.7)	24
Figure 7- Conceptual framework (the author).....	25
Figure 8 - Codes, categories and themes (the author)	30
Figure 9 – Gucci Soho store (Gucci Soho store Gucci Has a Bold New Store in SoHo, New York, 2018).....	37
Figure 10 – Gucci Luce clienteling app (Kering: Client Experience, CRM & Data, n.d, p. 11)	41
Figure 11 – Continuum of luxury services (Wirtz et al., 2020, p. 40)	66
Figure 12 - Digital Competitive Map Luxury 2019 (Digital Competitive Map Luxury 2019, 2019, p. 5)	68
Figure 13 - Luxury brands of the digital competitive map (Digital Competitive Map Luxury 2019, 2019, p. 2)	68
Figure 14 - Axes' criterias of digital competitive map (Digital Competitive Map Luxury 2019, 2019, p. 3)	69

List of Tables

Table 1 – Definitions of employees’ roles (the author).....	48
Table 2 – Relationships within the coordinator role (the author).....	51
Table 3- Luxury definitions and service related aspect (Wirtz et al., 2020, p. 28,29)	65
Table 4 – Typology of luxury services and customer segments (Wirtz et al., 2020,p. 34, 35)67	
Table 5 - Contacted companies (the author).....	68
Table 6 - Data sources (the author based on Corley G. & Gioia A. (2004)).....	69

Table 7 -Interview guideline example (the author)	71
Table 8 – Interviews’ table (the author)	74
Table 9 - Secondary data (the author)	83
Table 10 - Coding template and examples of participants’ quotes (the author based on Duberley et al. (2017))	89
Table 11- The influence of digital over employees' roles (the author).....	90

Chapter I: Introduction

“Today’s luxury has been largely based on creating high emotions built on human touch and connections”

(Girod JG, 2020, p.1)

The citation above highlights how important the power of human relationships and connections is for luxury brands. Especially the connection between employee and customer is key. This connection, through storytelling, feeds the desire, since employees communicate the brand’s history and tradition (Aiolfi & Sabbadin, 2019). But is it possible digital meddle positively this connection? Generations Y and Z are the forthcoming generations and they can make up 55% of the global personal luxury goods market in 2025 (D’Arpizio et al., 2020). They demand personalization, innovation, and outstanding experiences. So, how digital could help luxury brands to provide an exceptional experience and, at the same time, help them to create a closer relationship with consumers?

First of all, is vital to explain what luxury is. Luxury is something unique (Dubois & Paternault, 1995), that exceed the functional and ordinary features (extreme high price, quality (Heine 2012)). Luxury includes aesthetics, symbolic and hedonic connotation. However, these definitions do not comprise what a service is. So, Wirtz et al. (2020) proposed a definition of a luxury service:

*“Luxury services are **extraordinary hedonic experiences** that are **exclusive**. Exclusivity can be **monetary, social, and hedonic** in nature. Luxuriousness is jointly determined by **objective service features** and **subjective customer perceptions**. Together, these characteristics place a service on a **continuum**, ranging from **everyday luxury** (i.e., with low levels of exclusivity and extraordinariness) to **elite luxury** (i.e., with high levels of exclusivity and extraordinariness).”* (Wirtz et al., 2020, p.20)

However, this definition is more related with pure luxury services and does not apply to the services associated to a purchase of a luxury product. This becomes apparent when Wirtz et al. (2020, p.9) explain that *“The lack of transfer of ownership and the missing related tangible good lead to three further implications related to hedonic adaptation [when a person by using frequently the luxury good, its hedonic value decreases], conspicuous consumption [the*

absence of a physical good in a service promotes a lower conspicuousness; a service compels storytelling and communication through social media] (...)". Nevertheless, storytelling always happens inside the store.

For Dion & Borraz (2017), the interaction between consumer and employee is what defines luxury. The employee-customer connection entails the cultivation of a tailored and interpersonal relationship (Merletti & Piasentin, 2017). In this sense, understanding the different roles of employees becomes crucial. Bowen (2016) suggested that employees can be “*enablers*” (when workers support and counsel clients about how to deal with technology), “*innovators*” (when sales advisors recommend service improvements), “*differentiators*” (when employees use their skills and emotions to create a personalized service) and “*coordinators*” (when sales assistants manage the interdependencies of diverse parties - front office, customers, back-office). However, we still do not understand in-depth the role of “*coordinators*” and what parties they coordinate. For instance, Holmqvist, Wirtz, et al. (2020) analyzed the relationship between employees and customers, which can be mediated by digital. Nevertheless, it does not explain how employees can be coordinators in this relation. Also, Holmqvist, Wirtz, et al. (2020) assumes that in the interaction between employees- digital- consumers only influences the “*enablers*” and “*coordinators*” roles.

Regarding digitalization, technology can play the role of “*augmentation of employees*” (Larivière et al., 2017), by aiding the workers in the service encounter, in terms of evaluation, thinking, and performance (intelligence augmentation). Also, can have the function of “*network facilitation*” (Larivière et al., 2017), operating as an enabler of relationships or “*substitution of employees*”. However, this study is not applied to luxury industry. In luxury industry, technology should never occupy the role of “*substitution*”.

Considering the different gaps identified, my dissertation aims at complementing the previous research about the ways digital is transforming the employees’ roles, creating a stupendous experience to the clients. With this in mind, I propose to answer the following research question: “*How can luxury brands use digitalization to transform the role of employees to improve the luxury experience of their customers?*”.

This question is pivotal for managers and marketers, as its answer will grant them to manage more effectively a luxury brand. This includes making consumers feel unique and involve them

in an outstanding luxury brand experience. Another final objective of a luxury brand is to sell, so being a customer-oriented company and promoting a personalized experience will encourage customers to feel exclusive and to be loyal. This will make the brand to gain money.

To answer my research question, I used a qualitative method. I conducted a multiple case study on the following brands: Versace, Gucci, Loja das Meias and Josefinas. All of these brands are luxury brands and have different business models, which makes the research richer, by analyzing the similarities and differences between each other. Gucci and Versace are part of the *Digital Competitive Map Luxury 2019* (2019). This map was created by *Altagamma*, the Italian luxury brands committee. The map is a graph with 2 axes: digital customer experience and digital strategic reach. Gucci and Versace are positioned in different quadrants, which means that their approaches to digital are different. Loja das Meias is a Portuguese multi-brand store and Josefinas is a Portuguese online luxury brand that in past opened some pop-up stores. All of these companies are using the digital in different forms to support the employees' roles.

The structure of this thesis is the following. In the second chapter, I provide an overview of the literature on this topic. I define what is a luxury experience and highlight the digitalization trends in luxury. Then, I entrenched the understanding about the luxury services, more specifically, about the relationship between employees and clients and employees' roles. The next chapter presents the methodology. I justify the choice of a qualitative research, why I chose a multiple case study and the methods that I used to analyze the data. Then, empirical setting chapter intends to explain the companies studied in the dissertation. Next, the findings chapter presents the answer to my research question, while the discussion chapter aims to compare them with previous research. Lastly, the conclusion gives an overview of the whole research and highlight limitations and possible further research.

Chapter II: Literature Review

This literature review starts by emphasizing luxury definitions and its specifications in the luxury service and experience. Then, it focuses on the importance of the relation between employees and clients in the luxury setting. Also, the different employees' roles are presented and the lack of research in this part is emphasized. Next, the importance of digitalization for consumers' generations is presented and the nonexistence of research in terms of digitalization roles applied to the luxury field is highlighted, proving that my research question is relevant.

2.1. Luxury definition and the importance of the experience for customers in luxury brands

This section sets in with a definition of luxury (2.1.1), followed by the customers perspective about a luxury service (2.1.2).

2.1.1. *Defining luxury*

Luxury is a concept that is intractable to define, and many authors tried to find the ultimate formulation. For instance, Berry (1994) proposed a definition based on a need and the possession of something that is attractive and dynamic. One year later, Dubois & Paternault, (1995) accentuated the characteristic of uniqueness of luxury and Heine (2012) added the fact that luxury products have more than the functional and ordinary features (extreme high price, quality), they include aesthetics, symbolic and hedonic connotation. Llamas & Uth Thomsen (2016) associated luxury sociological outlook and not a product-oriented point of view to the definition, more precisely, to conspicuous consumption and how luxury bring the idea of assigning status. Cristini et al. (2017, p.105) in their turn, express their definition in three necessary conditions “*excellence, creativity and exclusivity*”.

2.1.2. *Luxury customers*

From the prism of consumers, in compliance with J.-E. Kim & Kim (2013), consumers have two types of motivations to buy as social and internal motivations (covers self-fulfillment and contentment with the interaction with employees), and if these motivations are positive, hold a tendency to be more loyal. Their behavior is driven by personal factors (education, income),

psychological values (pride, conspicuous consumption, power, satisfaction, attitude), social and cultural values and factors inherent to the luxury good (price, exclusivity, craftsmanship, luxury stores, between others) (Dhaliwal et al., 2020).

Customization plays a vital role in luxury services as consumers value it (*Global Luxury Retail in the Digital Era*, 2019; Macinnis et al., 2015) which coincide with one to one interviews done by Kauppinen-Raisanen et al. (2020, p.2), that revealed consumers' value “*extraordinary service excellence, unique multi-sensory emotional stimulation conforming to the brand, the feeling of personal importance and assurance contribute to delightful shopping in luxury stores.*”. In their stance, this “outstanding” service should have employees who “*acknowledge the emotional states of customers entering a store, who understand the emotions evoked in the store, and who make customers feel valued contribute to a delightful experience*”; “*the essence of empathic behavior derives from the perception of authentic caring and sensitivity.*” (Kauppinen-Raisanen et al., 2020, p.4).

2.2. The in-store service's contribution to the luxury experience

This section starts with a definition of a luxury service (2.2.1), followed by the definition of a service experience (2.2.2), the luxury experience and “*its zones*” (2.2.3).

2.2.1. Defining luxury service

According to Dion & Borraz (2017), the delineation of the luxury concept goes beyond the physical products and the brand itself. It is related to the social relationships created around it. Ko et al. (2019,p.407) extended the definition of luxury including services and the interaction with consumers in the luxury definition:

“*A luxury brand is a branded **product or service** that consumers perceive to:*

1. *be high quality;*
2. *offer authentic value via desired benefits, whether functional or emotional;*
3. *have a prestigious image within the market built on qualities such as artisanship, craftsmanship, or service quality;*
4. *be worthy of commanding a premium price;*
5. *be capable of inspiring a deep connection (..) with the consumer.”*

But, Wirtz et al. (2020) stated that there is a gap in the literature as there isn't a proper definition of luxury services (Appendix 1, table 3). So, they proposed a description of luxury service concept:

*“Luxury services are **extraordinary hedonic experiences** that are **exclusive**. Exclusivity can be **monetary, social, and hedonic** in nature. Luxuriousness is jointly determined by **objective service features** and **subjective customer perceptions**. Together, these characteristics place a service on a **continuum**, ranging from **everyday luxury** (i.e., with low levels of exclusivity and extraordinariness) to **elite luxury** (i.e., with high levels of exclusivity and extraordinariness).” (Wirtz et al., 2020, p.20)*

This luxury service description focuses on an exclusive hedonic experience, that must be strengthened, overcoming the functional value in each service encounter through aesthetics, genuineness, exclusivity creating a sense of routine escapism (Holmqvist, Ruiz, et al., 2020). Moreover, since every experience can be extraordinary, luxury service is a subcategory with these specific characteristics. Also, Wirtz et al. (2020) highlighted that there is continuum variation beginning in ordinary services, everyday luxury, standard luxury, and ending in elite luxury and its understanding depends on the customer segments' perceptions (Appendix 1, figure 11 & table 4). However, this definition is more related to pure services (for example, hospitality) and fails on having a wider interpretation that includes luxury services associated with luxury goods. This become evident when Wirtz et al. (2020, p.9) explain that *“The lack of transfer of ownership and the missing related tangible good lead to three further implications related to hedonic adaptation [when a person by using frequently the luxury good, its hedonic value decreases], conspicuous consumption [the absence of a physical good in a service promotes a lower conspicuousness; a service compels storytelling and communication through social media], and counterfeiting [without ownership it become harder].”* So, it becomes visible that Wirtz et al. (2020) refers to a pure service and not a service associated with selling luxury goods.

2.2.2. Defining a service experience: the stages

Wirtz & Tsotsou, (2015) and Voorhees et al., (2017) defined a service experience based on services' stages, not applying it specifically to the luxury field:

1. **Pre-purchase:**

- occurs when the consumer diagnoses a need/ problem and start to investigate solutions and customer anticipates, using their familiarity (experience) to predict the service encounter;
- Voorhees et al. (2017) added that pre-purchase includes an initial contact and onboarding activities (figure 1);

2. **Service encounter:**

- according to past researchers, such as Surprenant & Solomon (1987), service encounter is the “*dyadic interaction*” between the employee and individual;
- Wirtz & Tsitsos (2015) added that service encounter is the moment when consumers co-produce value and experiences;
- Voorhees et al. (2017) describes the service encounter as “*Core Service Encounter*”, which incorporates new essential interactions: between customers and technology (figure 1);
- recently, Brodie et al. (2019) suggested a broader definition including “*actor engagement*”, which indicates that customers’ relations can be molded by employer relations and can influence the brand community;

3. **Post-encounter stage:** includes the customer social value (giving feedback, reviews, recommendations) and service recovery (Voorhees et al., 2017; Wirtz & Tsitsos, 2015).

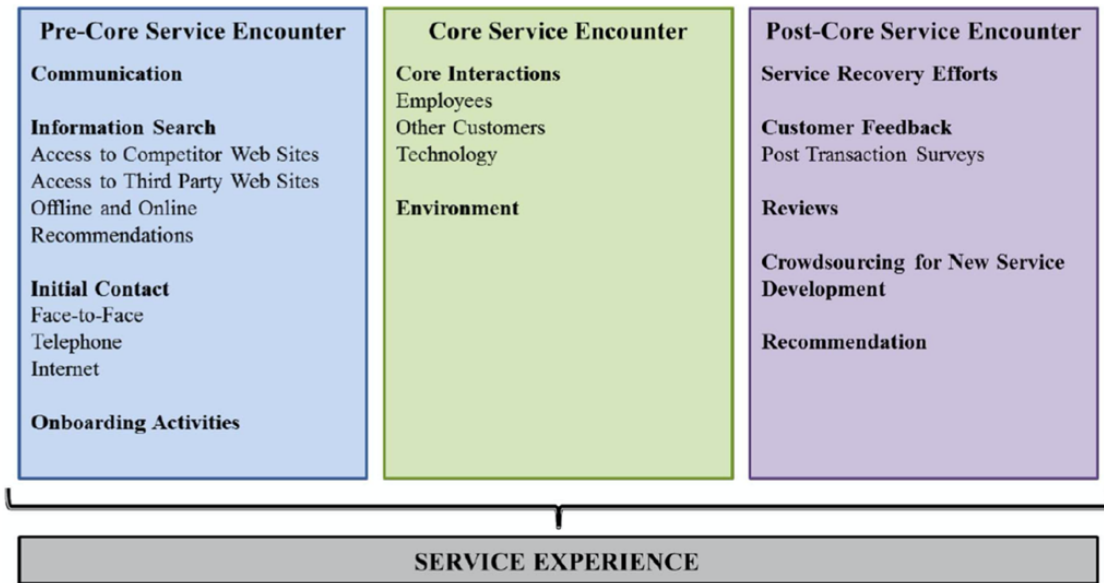


Figure 1 - Conceptual framework of service encounters throughout the service experience (Voorhees et al., 2017, p.271).

2.2.3. Defining luxury experience and “its zones”

In luxury, the distribution is considered the key point: the store is the “cathedral”, where the consumer can live the whole brand experience and engage with it (Kapferer & Bastien, 2012; M Fionda & M Moore, 2009; Moore et al., 2010). Among them, the “*heritage stores*” (Daniel, 2019) are the centerpiece of the brands’ essence and tradition with particular rituals (sales pitches, workshops, fashion shows, vicinity to ateliers, window displays), myths (decoration, architecture) and are the vision of the founder (Dion & Arnould, 2011). The sense of touching and view the product closely are some privileges of the in-store experience. In this sense, brands ought to manage the selected and exclusive products presented in the store (Chandon et al., 2015). Also, Atwal & Williams (2009) proposed a framework (figure 2) to evaluate the luxury experience. This framework comprises four, not reciprocally exclusive, “*experiential zones*”. These zones are the different dimensions of a luxury experience:

- **There are 2 axes, that allow to characterize “zones”:**
 - **Involvement:** is the relationship between employee and customer. In this sense, higher levels of involvement promote a high service experience, which means that there is a co-creation of value;
 - **Intensity:** is the strength of the feeling concerning an interaction.

- **Aesthetics:** includes appreciating interior design of the boutiques; it allows consumers to be immersed in the experience, but it not requires their participation;
- **Escapist:** the core of the luxury experience, which helps customers to dive in the brand DNA; it involves a high degree of involvement and intensity.
- **Entertainment:** entail a low level of client involvement and intensity as experiences can be seen as taken in. They are a noticeable application of luxury experience. For example, fashion shows televisions inside the store;
- **Educational:** in this zone customers obtain or develop their knowledge and skills;

The “*experience richness*” occurs when the four zones are included in a luxury experience, which will enhance the brand DNA and culture (Chandon et al., 2015; Moore et al., 2010; Cailleux et al., 2009).

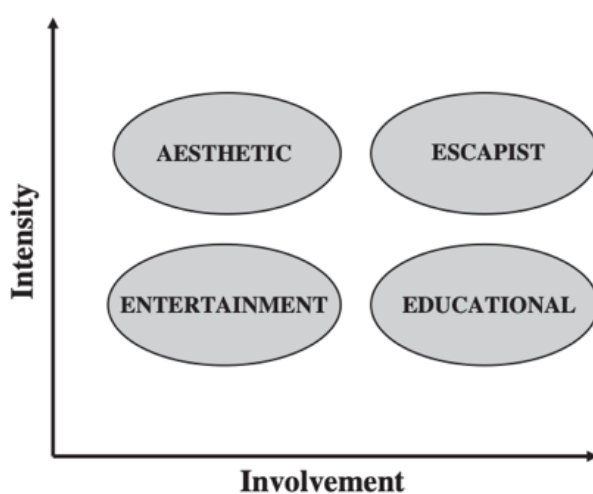


Figure 2 - Luxury Experiential Framework (Atwal & Williams, 2009, p.342).

2.3. Employees’ skills, interactions and roles in the in-store service

This section starts with an explanation of frontline employee desired skills (2.3.1). Then, the interaction between employee and customer is presented (2.3.2) and, finally, the employees’ roles (2.3.3).

2.3.1. Luxury frontline employee desired skills

To accomplish this goal of having a personal relationship wove over time (Cervellon et al., 2019), employees need expertise and competencies (Arditto et al., 2020) to reach the customer's trust (Merletti & Piasentin, 2017; Chevalier & Gutzatz, 2020), which motivates a stronger interaction (Arditto et al., 2020). Thereby, the company must recruit the right people through behavioral approaches, encouraging skill development throughout brand training (Chevalier & Gutzatz, 2020).

For an employee, it is crucial to possess brand identification, when workers relate themselves with the brand. They are the ones who are willing to put further effort into the tasks, and storytelling capacity, to offer a unique brand experience (Merk & Michel, 2019). However, this needs to be managed, since it can destroy value when there is an intensification of self-focus, which can make the client feel lesser (Merk & Michel, 2019). Additionally, a significant skill of an employee is to observe and understand how and why customers act (Chevalier & Gutzatz, 2020; Rowe et al., 2016) and compile golden qualitative information, to personalize their approaches to manage effectively consumers' emotions and nurture the relationship (S. Kim et al., 2016; Cailleux et al., 2009). More specifically, workers must address the nature of conspicuous consumption, which can be a snob (want to be different from the majority) or a bandwagon (people who want to be integrated into a group and status) to better attend them (Kastanakis & Balabanis, 2014).

2.3.2. The interaction between employees and customers

The **frontline employee-customer interaction** is presented in figure 4. For Surprenant & Solomon (1987) is the dyadic interaction between frontline employee and customer. Sharma & Lambert (1994) outlined the salespeople's importance to move from a transaction angled selling (focused more on the transaction) to a relationship selling (creating a long term relationship based on trust with the client). However, is important to take into consideration that these authors are not applying the definition to luxury. Dion & Borraz (2017) highlighted that the interaction between consumer and employee is what defines luxury. The employee-customer connection entails the cultivation of a tailored and interpersonal relationship (Merletti & Piasentin, 2017), commitment (Baumann & Le Meunier-FitzHugh, 2015) between

both parties and claims knowing them by their name, addresses, tastes, preferences, lifestyles, significant events, and shared interests facilitate the interaction (Baumann & Le Meunier-FitzHugh, 2015). As result, customers become loyal to the brands (J.-E. Kim & Kim, 2013; Rowe et al., 2016). Chevalier & Gutzatz (2020, p.173) created a new concept for this relationship: “*clienteling*”. This term refers to the development of an interpersonal relationship between sales advisor and a client, recording clients’ personal data.

When in contact with consumers, employees can differentiate the service according to the social hierarchies (Holmqvist, Wirtz, et al., 2020; Dion & Borraz, 2017). To make it possible, sales assistants can rely on objects to differentiate clients (champagne for VIP contrasting with no offer), behavioral approach (calling names of loyal clients) and set forth visibly or secretly differentiation. For instance, at Boucheron store located in Place Vendôme, elite customers have a private door to enter (Dion & Borraz, 2017; Wirtz et al., 2020; Kapferer & Bastien, 2012). Besides that, employees might educate consumers about the products and how to accurately act following their social position (Dion & Borraz, 2017).

2.3.3. Frontline employees’ roles

Bowen (2016) suggested different roles that employees can take. Firstly, they can take the role of “*enablers*” of the transaction of selling a luxury good, supporting and counseling clients and technology to act properly. Employees want to dispel the negative effects, such as annoyance and displeasure when facing the service (Larivière et al., 2017).

Secondly, employees can undertake the role of “*innovators*” as humans can be inventive and imaginative. So, employees can recommend service and technological improvements. Employees can also listen to customers’ recommendations to develop the service and technology.

Moreover, employees can fork out the position of “*coordinators*”, when workers need to manage the interdependencies of diverse parties (front office, customers, back-office) involved in value creation (Bowen, 2016). Holmqvist, Wirtz, et al. (2020) in their turn, do not specify how frontline employees can be coordinators of the relationships between online store and consumer, the social media and the consumer and digital in physical stores and the consumer, constituting a gap. Despite researchers’ efforts to understand the roles of frontline workers,

there is a lack of information that must be alluded to, notably: what are concretely the relationships that are involved in coordinator role? Likewise, Holmqvist et al. (2020, p.9) requested a further study on “*How luxury employees can move from enablers in dyadic encounters to coordinators in multi-actor interactions?*”. So, becomes relevant to understand the employees’ roles in luxury, especially to comprehend how they can be coordinators.

Finally, employees can behave as “*differentiators*” when their skills and attitudes are a key part of a customized service. This is important when constructing a one to one relation and emotive commitment (Bowen (2016) cited by Sirianni & Bitner (2011)). Larivière et al. (2017) supplemented this article, by exemplifying the fact that employees can perceive clients’ comportments and responses and adapt to them. This role gains an important connotation when compared to technology, since technology can be plagiarized effortlessly, while employees’ skills not (Bowen, 2016).

Also, Larivière et al. (2017) analyzed the roles of employees and customers and their possible outcomes (figure 5), but not in the luxury field, where the experience is hedonic. It becomes interesting to develop how these roles may be applied to luxury.

2.4. The challenge of digitalization for the in-store service and its contribution to the luxury experience

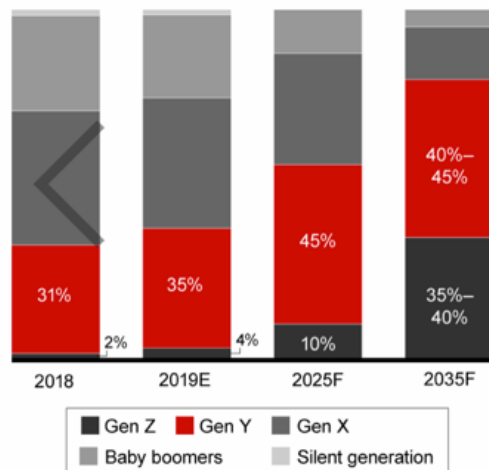
This section commences with the consumers’ motivations towards digitalization (2.4.1). After, digital interactions in luxury field are introduced (2.4.2), followed by digitalization roles (2.4.3). Lastly, COVID: an opportunity to embrace digital is announced (2.4.4).

2.4.1. Consumers’ motivations towards digitalization

Twenty-first-century customers desire to be accepted as individuals and to show their singularity. They are concerned about how luxury brands embrace new technologies (Chevalier & Gutzatz, 2020; Han & Kim, 2020). The millennials consumers are the generation of the future, as they reached 35% (2019) of consumption and in 2025 they could represent 45% of the total luxury market. Consequently, it is crucial to path their behaviors and habits (Barton et al., 2016). They demand personalized experiences, authenticity, innovative pieces that can expose their values (Bytyci, 2020). Moreover, they are always digitally connected, trying to

find social approval, which produces the “desire to escape” (Langer, 2019). Besides that, generations Z and Y in an ensemble can make up 55% (figure 3) of the global personal luxury goods market in 2025, demonstrating their colossal importance for luxury brands (D’Arpizio et al., 2020).

**Global personal luxury goods sales by generation
(€ billions)**



Note: F indicates forecasted growth
Source: Bain & Company

Figure 3 – Generations Y and Z will represent 55% of the global personal luxury goods market in 2025 (D’Arpizio et al., 2020, p. 26).

The core of digital innovation is to comprehend customers’ emotions, answer the “*how*” and “*why*” consumers behave (Straker & Wrigley, 2016). In this sense, it is vital for luxury brands to involve customers in a personalized way, and technology can help by creating innovative and emotional experiences (Chandon et al., 2015; Moreau et al., 2020; Willersdorf et al., 2020; Wiener et al., 2020). In this regard, a new concept arises: the co-creation of value. Tynan et al. (2010) and Larivière et al., (2017) hinted that the co-creation of value can only happen when both parties engage and are familiarized with technology and innovation. This can be an advantage for luxury brands concerning exclusivity, recognition, and access to information.

2.4.2. Interactions mediated by digital in the luxury field

For Holmqvist, Wirtz, et al., (2020), managers must understand that employee and customer relationship is important and it cannot be sustained without the digital. So, **employee-digital-customer interactions** (figure 4) occurs when luxury workers can use digital to streamline the service (a utilitarian tool to enable the payment transaction; to verify and logged the products

without difficulty and record customers' preferences). A limitation of the Holmqvist, Wirtz, et al. (2020) article is the fact it does not analyze in detail how digital influence the employees' roles. For instance, this article does not explain how digital helps employees becoming coordinators, constituting a possible avenue for further research. Also, this article assumes that employee-digital-customer interaction only involves enabler and coordinator role. With this in mind, P. Sharma et al. (2020, p.7) solicited more research on how these interactions and relations "may influence the experiences and evaluations of these actors [customers and employees] and how these could be managed more effectively and profitably by the service managers".

The next interaction encompasses **consumer-digital** that happens when the customer is interacting with digital (social media, brand app, store digital elements). This interaction can be seen as a way to raise escapism and encourage value creation, inside the store by transforming employees into coordinators in leveraging their relation with digital (Larivière et al.2017), which it should not supersede the human interactions (Holmqvist, Wirtz, et al., 2020). But how employees can be coordinators in the interaction of consumers and digital? This article fails explaining this.

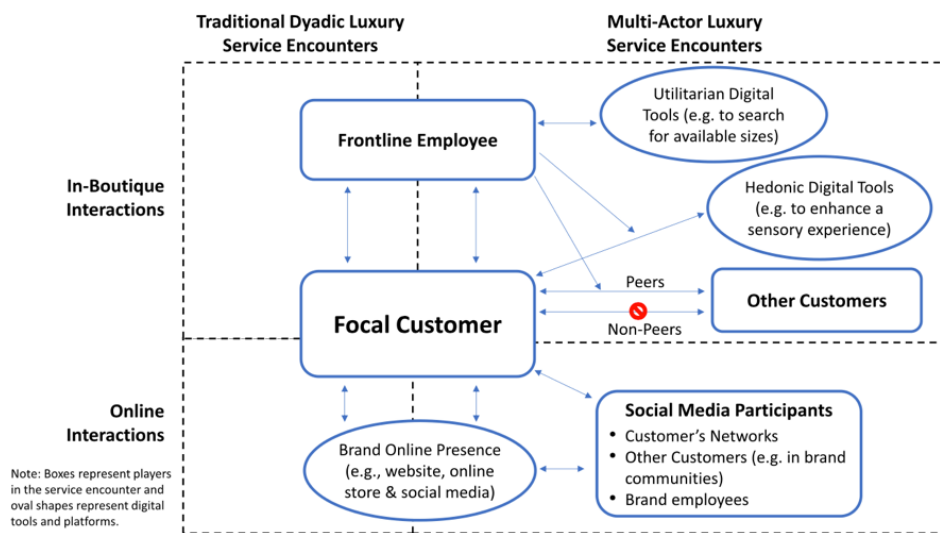


Figure 4 - Conceptual Framework of multi-actor interactions in luxury service encounter (Holmqvist, Wirtz, et al., 2020, p. 4).

2.4.3. Defining digital roles

“*Smart retailing*”, denoted by Pantano et al. (2018), is the use of digital technology (online channel), mobile technologies (retailer’s mobile app), and immersive/ pervasive technologies (interactive storefronts, displays) in a certain manner to mediate the interactions between the employee and customer (Chevalier & Gutzatz, 2020; Pantano et al., 2018). Priporas et al. (2017) suggested that smart technologies have been used with a convenience and facilitation of the transaction intent. However, the convenience and facilitation are opposite to the luxury experience. Karl Lagerfeld explained that internet does not incorporate “*the unique feel and sophistication of luxury materials, refined tailoring and an extraordinary attention to detail found in luxury fashion.*” (Hennigs et al. (2012,p.31), where customer experience and exclusivity of the brand is superior (Holmqvist, Wirtz, et al., 2020). With this in mind, technology can play the role of “*augmentation of employees*” (Larivière et al., 2017), by aiding the workers in the service encounter, in terms of evaluation, thinking, and performance (intelligence augmentation). Also, can fulfill the function of “*network facilitation*” (Larivière et al., 2017), operating as an enabler of relationships or “*substitution of employees*” (figure 5). However, figure 5 framework is not applied to luxury industry. In luxury industry, technology should never occupy the role of substitution.

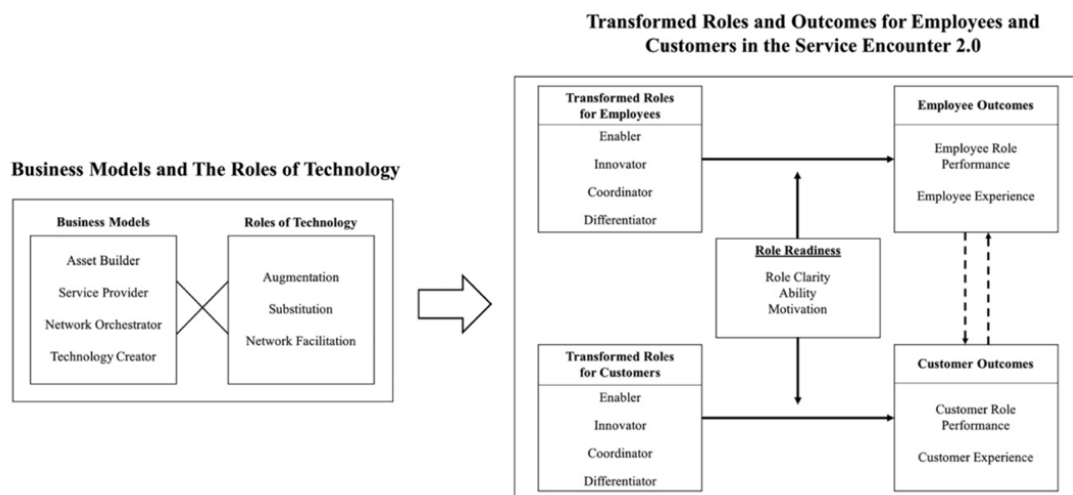


Figure 5 – Conceptual Framework (Larivière et al., 2017, p.241).

If technology is correctly applied in-store and in digital channels, it can deliver value by addressing the customers’ needs and enabling interpersonal relationships, enriching the customer experience, in an incrementally digitalized retailing scenario (Nojd, 2020; Hagberg

et al. (2017)). For instance, digital can help to generate a tailored experience across these diverse touchpoints (figure 6) by using a CRM system, considering consumers' values, actions and preferences. This enables the brand and sales assistants to anticipate and personalize the dialogs with the consumer (Barton et al., 2016). Luxury brands are entrenching the experience in a physical store, using artificial intelligence, immersive technologies (virtual, augmented reality) (*In Depth: Luxury Goods 2020*, 2020).

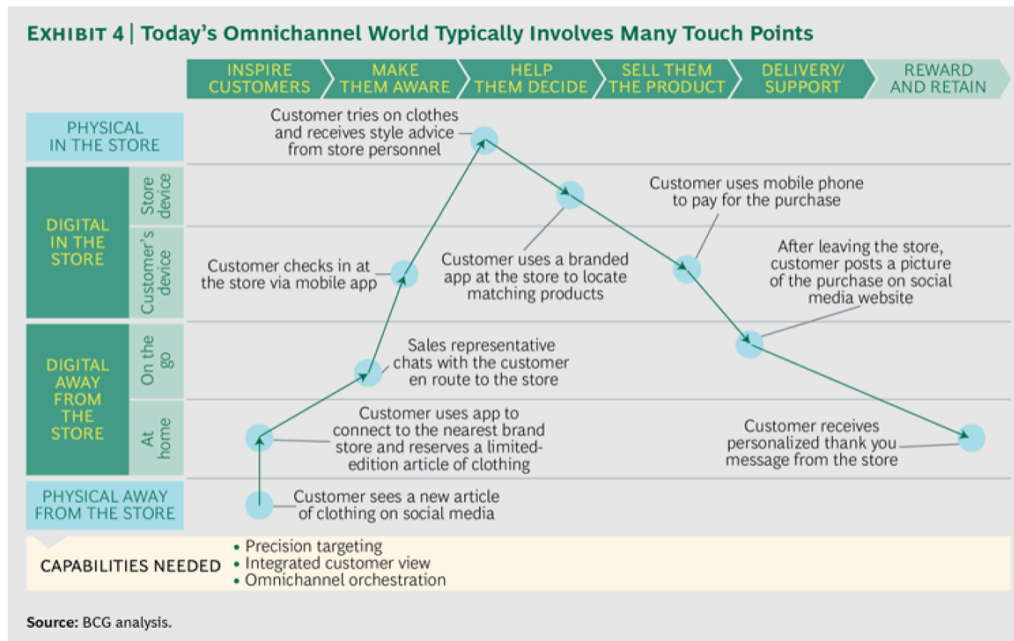


Figure 6 – Today's omnichannel world typically involves many touchpoints (Barton et al., 2016, p.7).

2.4.4. COVID: an opportunity to embrace digital

Furthermore, the lockdown was an opportunity to create many initiatives. These initiatives started digital. They had the goal to cooperate with clients (BIONDI, 2020) and communicate the luxury brands' values and heritage (Hennigs et al., 2012). The future luxury brands' value proposition, forced by the Covid crisis, will be based on customer-centric and digital values (Achille et al., 2020). More specifically, a new model is stemming from the Luxury 4.0 model (*In Depth: Luxury Goods 2020*, 2020) that is grounded by the progress of online sales and the digitalization of the luxury spending journey.

Related to the customer-centric value proposition, a customized experience where the human element is key is the future. According to a conference on the topic¹:

“The hard luxury sector has always been person-centered, and the human element is now more important than ever (...). The new normal will revolve around sparking interest and awe by means of ongoing engagement, both on- and off-line, to give customers experiences that celebrate the traditions and superlative quality craftsmanship”.

As Sharma et al. (2020) stated, emerging technologies are altering the manner that businesses are managed, especially how they manage the interactions and relations between employees and customers... How? My research question (*“How can luxury brands use digitalization to transform the role of employees to improve the luxury experience of their customers?”*) becomes vital to how digitalization influence employees’ roles and promotes a luxury experience (figure 7).

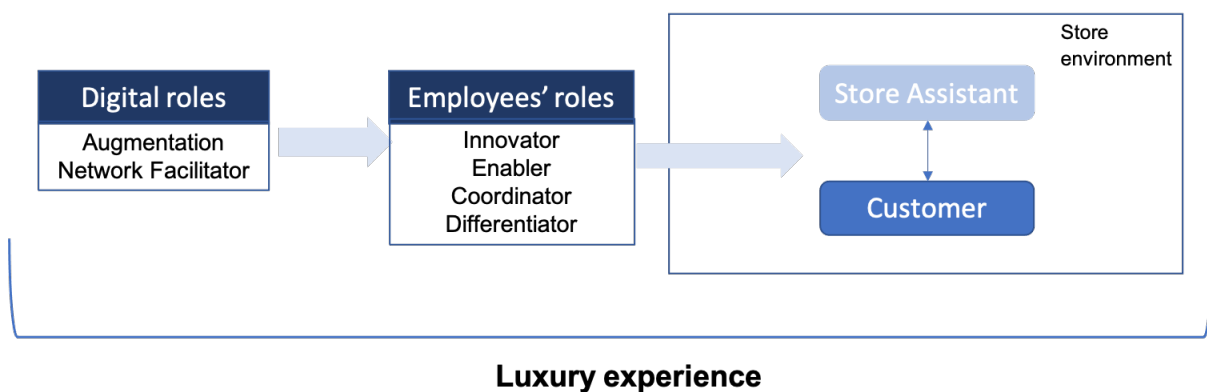


Figure 7- Conceptual framework (the author).

¹ LUXURY RETAIL AND CONSUMERS: WHAT HAS CHANGED AFTER COVID-19 Experiential Luxury Is Holding up, the Gap between East and West Is Widening, and Retail Is Facing a Period of Great Change (2020)

Chapter III: Methodology

This chapter focuses on the importance and advantages of adopting a qualitative approach (3.1.1.) and, more specifically, to conduct a comparative case study to answer my research question (3.1.2.). Then, in the second part, the data collection (3.2.) is clarified and finally, the third section has the goal of explaining how I analyzed the data (3.3.).

3.1. Research Design

3.1.1. The choice of a qualitative approach

In my research, I applied a qualitative approach as it addresses the connection between employees and customer. It can promote the disclosure of people's visions about the themes, revealing their stereotypes, perceptions (Tracy J., 2019), understanding their thoughts, language, and behavior (Nastasi & Schensul, 2005). It becomes crucial to use qualitative research, since this research aims to evaluate the role of employees, based on their human interactions with consumers and the influence of digital on these interactions. In detail, salespeople are critical as they share the mystery and aura around the brand (Kapferer & Bastien, 2012; Merletti & Piasentin, 2017). They interact with consumers in a one-to-one relationship, with the brand and digital. Qualitative research becomes vital to comprehend in-depth these interactions (Fusch et al., 2018; Birkinshaw et al., 2011) between the actors and to decode these interactions and connections. Moreover, my research question is based on a how question (*"How can luxury brands use digitalization to transform the role of employees to improve the luxury experience of their customers?"*), so a qualitative method can be used (K. M. & M. E., 2007; Yin, 2009).

3.1.2. A comparative case studies

"Case study (...) process of conducting systematic, critical inquiry into a phenomenon of choice and generating understanding to contribute to cumulative public knowledge of the topic"

(Simons, 2009, p.18)

A case study foments a deep understanding of the processes and dynamics of the real-life context (Simons, 2009) by interpreting the data, creating conclusions, and stating a concrete implementation (Baker J, 2018). Moreover, in my research, I considered multiple companies

in the same industry, adopting a comparative case study. I chose *Versace*, *Gucci*, *Loja das Meias* and *Josefinas*. My selection criteria were based on the affiliation of the luxury sector, have an online and offline presence and for the bigger ones the presence in two different quadrants of the digital competitive map (Appendix 2, figure 12). The luxury digital competitive map, created by *Altagamma*, is composed by 37 luxury brands (Appendix 2, figure 13). This map has two axes: digital strategic reach and digital customer experience. These axes, in total, were analyzed using 20 criteria and 200 parameters (Appendix 2, figure 14). For the other companies, the criteria chosen was to have different business models. For instance, Josefinas is an online luxury brand that had pop stores and Loja das Meias is a multi-brand store. This allows me to compare the differences and similarities between big (Gucci, Versace) and smaller brands (Josefinas, Loja das Meias).

3.2. Data Collection

For my research, I collected primary and secondary data. Related to primary, I conducted semi-structured in-depth interviews (online and physical presence) and structured interviews (written). I created the interview guideline to answer my research question, asking first broad questions (Appendix 3, table 7). My objective was to have diverse people in the area of customer relationship management, clienteling, store managers, and sales assistants, to collect as much information as possible about the employees' roles and digital influence. I tried to find potential interviewees of many luxury brands via LinkedIn, starting in September. For Josefinas, I tried to contact the board member and founders via LinkedIn. However, the founders did not reply to my messages and the board-member only gave me the contacts of the people who work in the areas that are related to my thesis theme (they are only 2 since they have a small team). Related to Versace, I tried to contact workers of the CRM department, clienteling, and other departments via LinkedIn, conversely, no one replied. Regarding Gucci, was easier to contact more diverse people via LinkedIn and inside the store. In October and November, I went to Avenida da Liberdade to luxury stores 6 times to ask for interviews. This was not easy, as many of them did not answer or responded negatively (Cartier, Armani, Prada, Miu Miu, Burberry, Hermès, Louis Vuitton, MaxMara, Stivali), since they signed in their contracts to not talk about the brand and they were having more work, because of COVID. But some people affirmed that they could talk. But only, if I don't write their names in my thesis. So, I created fictitious names. Overall, I conducted 24 interviews in total with people from different nationalities and job roles. Related to the case studies I had 3 interviews for Versace,

5 for Gucci, 4 for Loja das Meias and 2 for Josefinas. The Appendix 2, table 8, present information about these interviews (duration, themes, function). I used a research diary to record field notes about the data collection (I recorded all the interviews, wrote the interview guideline, descriptive notes), to ensure the reliability of my thesis (Riege M., 2003).

Concerning secondary data, I included information from podcasts, videos, articles, interviews, and news (Appendix 2, table 9) about the brands, more specifically, about the digitalization and the impact for sales assistants. Moreover, I tried to find information about the roles of employees and the elements of a luxury experience. Also, I searched for information about the context, that I used to write the empirical setting chapter, which presents the cases. The criteria to retain the secondary source were mainly based on the company and time frame. It was harder to find information about Loja das Meias and Josefinas as they are privately owned companies, as well as about Versace as the company did not disclose such information. I applied the triangulation method to test internal validity and reliability (Golafshani, 2003), so I used multiple data sources (Appendix 2, Table 6) at different times and languages to acquire a comprehensive understanding of the occurrences (Yin, 2009).

3.3. Data Analysis

I used specific procedures for coding to ensure external validity and transferability (Riege M., 2003). I analyzed the data by creating codes, categories, and themes to organize the data (Elo & Kynga's, 2007). So, the first-order coding was initiated by using the literature review, more specifically, the conceptual frameworks (for example “*enabler*”, “*innovator*”, “*differentiator*”, and “*coordinator*” roles) to come up with the first codes. Then, I listened again to the recorded interviews and I read over the written ones (immersion of data (Green et al., 2007)) to form the table with transcribed quotes and to be familiar with the data (Dey, 2003). After this, I was able create new codes, that emerged from the raw data (for instance: “*personal shopper*”, and “*educator*”). Subsequently, I examined the secondary data and added quotes to the respective code, to guarantee that I had different sources of data. Following this process, I identified thirty-seven codes.

Then, I categorized the codes into more generic terms, grouping them according to their commonalities (for example “*frontline employees' types*”, “*employees' roles*”). I repetitively compared the data, adjusted some codes, and created new ones (constant comparison method (Williams & Moser, 2019)), which required me to be flexible (Dey, 2003). In the next step, I

created big themes, the most generic words (Green et al., 2007). For this step, I compared the categories that I already had, according to their similitude and with my research question. This allowed me to have a clearer understanding of how my data was helping me to answer my research question. In this sense, I concluded the coding process with three large themes: “*frontline employees*”, “*digitalization*” and “*client experience*”. The following figure is a scheme that explains the data analysis method. A more detailed table with quotes is in Appendix 2, table 10.

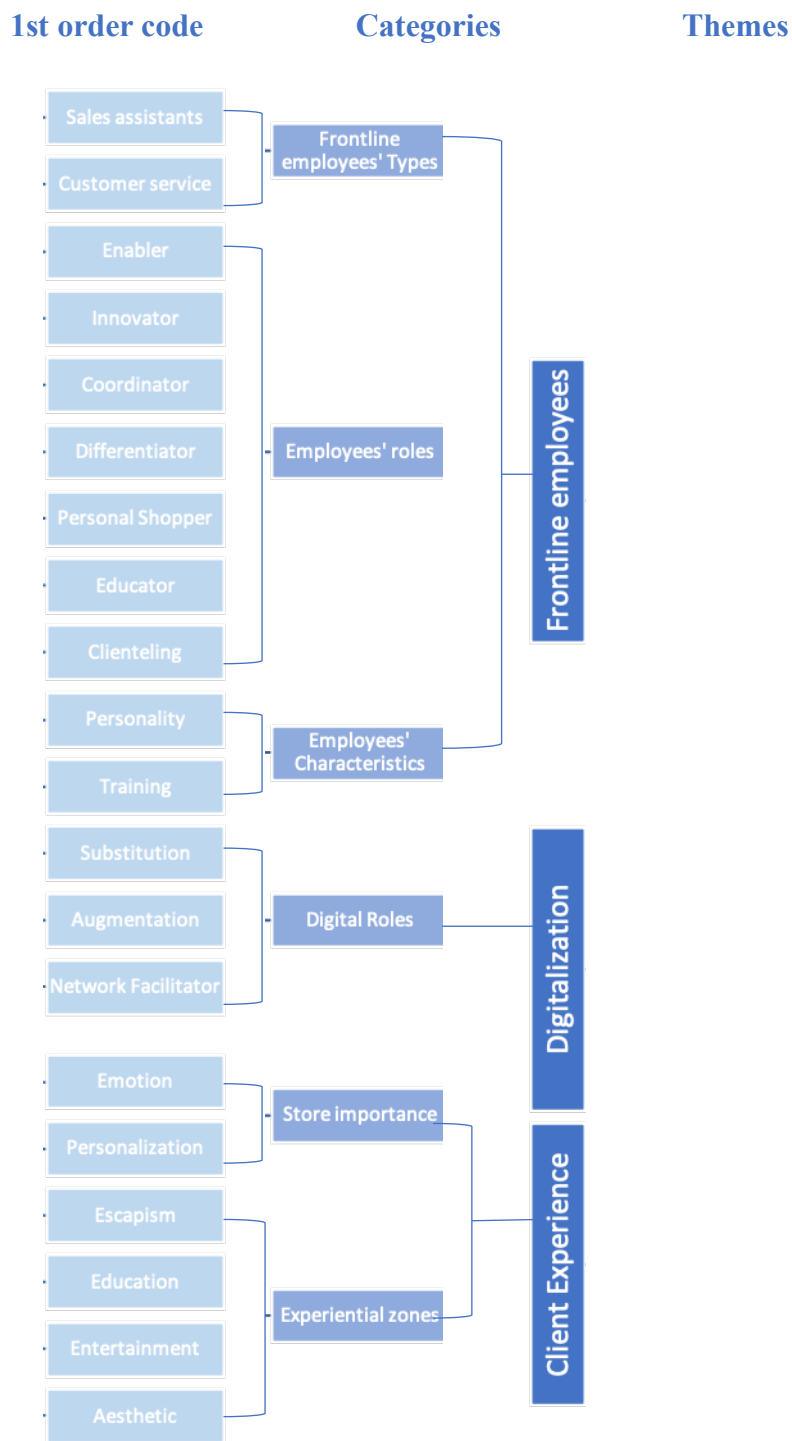


Figure 8 - Codes, categories and themes (the author).

Chapter IV: Empirical Setting

This chapter includes an introduction of each of the companies studied. It starts with Josefinas (4.1.), then, Loja das Meias (4.2.), Versace (4.3.) and Gucci (4.4.).

4.1. Josefinas

The first company chosen is Josefinas. It is a Portuguese luxury brand that was born in 2013 in the middle of the economic crisis and recession, due to this, the brand adopted this motto: “*Never give up*” of your dreams. The name of the brand is a tribute to the founder’s (Filipa Júlio) grandmother, since she shared valuable moments with her when she was little².

To be able to launch the brand, the initial investment required was 30,000 euros³. Later in 2015, the company received financing from Portugal Ventures in a program called +Inovação + Indústria⁴. In the same year, the company was helping to change women’s’ lives, especially from war countries through an international organization: Women for Women International. One year later, in 2015, Josefinas grew 200%⁵. The USA were the principal market of the brand (35% of the sales²). The brand expanded to other different markets, such as Singapore, Hong Kong, and Australia. Besides, Josefinas decided to open a flagship store in New York, in Nolita, which helped Josefinas to gain recognition and new customers. Moreover, in 2017 and 2019, the brand opened 2 pop up stores in Portugal (Braga, Lisboa)⁶. Now, we can find Josefinas on their website and particular Josefinas’ products in Loja das Meias, in Amoreiras. About its products, they include sneakers, ballerinas, bags, and kids’ shoes. The prices’ range is between 145 to 3369 euros⁷. They produce, on average, 3,000⁸ shoes each year. Interestingly, the company created in 2019 the most expensive ballerina in the world (3,379 euros), which

² (Josefinas: *História*, n.d.)

³ (Maria Cunha: “*Já Estive Com Uma Pessoa Que Me Dizia Que Sem Ela Não Ia Ser Ninguém*,” 2019)

⁴ (Josefinas *Querem Crescer Nos EUA Com Empurrão Da Portugal Ventures*, 2015)

⁵ (Josefinas: *As Sabrinhas Portuguesas Chegaram a Nova Iorque*, 2016)

⁶ (Josefinas *Abre Duas Pop-up Stores Em Portugal*, 2019; Josefinas *Abre Loja Pop up Em Lisboa*, 2017)

⁷ (Josefinas: *As Sabrinhas de Luxo Portuguesas Que as Celebridades Adoram*, 2018)

⁸ (Josefinas: *Sabrinhas de Braga Atravessam o Pacífico*, 2018)

enlarged their sales by 50%⁹ and was distributed in 60 countries. In 2019, the company was worth approximately 2.000,000 euros² and had 6 employees¹⁰.

Currently, they provide a service of customization and have a special collaboration with Ibukun, a Nigerian woman specialized in embroidery, print, and illustration and founder of Bukky Baldwin. This fashion brand is responsible to create employment and at the same time commemorates the individuality of each person and item. Moreover, Josefinas was part of fashion magazines' recommendations, for instance, Vogue, Elle, and Grazia. However, since it is a private company, financial data has not been disclosed.

4.2 Loja das Meias

The second company chosen is Loja das Meias. This company was born in 1905, in Lisbon city center. The store was always linked with Lisbon history as the visits of heads of state and political and social manifestations took place in front of this store. Years later, the first elevator was installed, and the brand won diverse awards because of its storefronts. In 1971, it opened another store in Rua Castilho, posterior in Amoreiras shopping center, in Cascais (1995), in Mozambique (2015), and the last one in Avenida da Liberdade (2016)¹¹. The new store in Avenida provides space for new international customers, such as Russians, English people, French and Brazilian¹². Nowadays, they adapted to e-commerce (they have their own website) and are now represented in Farfetch, becoming more international and be part of the evolution of the e-commerce¹³.

It is owned by the family Costa. Pedro Miguel Costa is the person responsible for the management, and his daughter, Manuela Saldanha is responsible for the Amoreiras store. It is a luxury multi-brand store that has exclusive brands, such as Dior, Celine, Chiara Ferragni, Etro, Isabel Marant, Missoni, Valentino, Stella McCartney, Josefinas, Tod's, between others¹⁴. Dior and Céline have their own independent spaces inside the stores since they are only represented by this brand.

⁹ (Portuguese Josefinas Increase Sales in the First Half by 50% and See Plow to 60 Countries, 2019)

¹⁰ (Ramos, n.d.)

¹¹ (Loja Das Meias - História, n.d.)

¹² (Loja Das Meias Muda Para a Avenida à Procura de Turistas, 2016)

¹³ (A Vestir Lisboa Há Mais de Um Século, 2018)

¹⁴ (Designers, n.d.)

However, since it is a private company, financial data has not been disclosed, on their LinkedIn page, we can see that they have between 51-200 workers.

4.3. Versace

The third company chosen is Versace, a company that was founded in 1978¹⁵ by Gianni Versace, who included his brother Santo and his sister Donatella in his business. Gianni Versace was born in Calabria, Italy in 1946 and began his career in his mother's sewing business. Then, he started to design for Fiori Fiorentini, DeParisi, Genny, and Callaghan. The founder was killed on July 15, in 1997. Afterward, Santo became the new CEO of the company and Donatella the new creative director. However, during the initial 2000s, the profits started to decline, and new CEOs entered the company. This company is easily recognized by its medusa logo, designed by Gianni, whose inspiration was based on Greek artwork and Roman ruins. In addition, he selected the medusa symbol as it let people fall completely in love with her¹⁶.

Versace is part of Capri Holdings group since 2018 with a purchase value of \$2.12 billion. Versace, now, generates 15,19% of the group's revenue¹⁷. This group has its headquarters in London, UK, with revenue of \$5,551 m, a net profit margin of 4.02% (a decrease of 138.77% compared with 2019), and 11,096 employees, in 2020¹⁸.

Versace, in 2020, had a revenue of USD 800,000,000 and employs 1500 people (Versace SA., 2020). Moreover, the region that has a higher revenue is the EMEA region counting 420 million U.S. dollars, followed by Asia (237 million U.S. dollars) and the Americas (186 million U.S. dollars)¹⁹. This company has 116 retail stores (including concessions and outlet stores) in Asia, 60 in EMEA, and 30 in the Americas²⁰. In detail, it has 824 stores within the wholesale doors, 157 owned stores and outlet stores²¹ with an average of 1700 square feet. In addition, the e-commerce website is available in the n US, some parts of Europe, and China. In 2020, Versace

¹⁵ (*Versace History*, n.d.)

¹⁶ ("History of Versace and Background," 2020)

¹⁷ (*Capri Holdings' Revenue Share Worldwide in 2020, by Business Segment*, 2020)

¹⁸ (*Capri Holdings Ltd- Financial and Strategic Analysis Review*, 2020)

¹⁹ (*Global Revenue of Versace in 2020, by Region*, 2020)

²⁰ (*Number of Retail Stores of Versace Worldwide as of 2020, by Region*, 2020)

²¹ (*Number of Retail Stores of Versace Worldwide as of 2020, by Region*, 2020)

participated in the digital Milan Fashion show. In terms of Versace products, they include *haute couture* products (with prices until \$100,000), ready to wear (\$250- \$4,000), accessories (\$100-\$3,500), footwear (\$225-\$2,500), Versace Jeans couture (\$75-\$2,000), eyewear (\$200-\$500) and watches (\$500-\$3,500).

The ambitions of Versace include²²:

- Increase the accessories and footwear penetration to more than 35%;
- Grow Versace to \$2billion over time;
- Increase the number of stores to 300;
- Keep the brand luxury image in women's and men's ready to wear;
- Quickening the Versace e-commerce progress to create a developed and full omnichannel experience.

4.4. Gucci

The last company selected is Gucci. The founder was Guccio Guccio who was born on March 26, 1881 and was a son of an Italian leather goods maker and years later, was porter at Savoy Hotel in London²³. In 1921, he opened his first store in Florence with saddlers and accessories for horseback riders²⁴. Quickly the company became very notorious for its refined craftsmanship. He died in 1953, exactly 15 days after the opening of his first store in New York. Nowadays, Gucci is led by Alessandro Michele (creative director) and Marco Bizzarri (CEO) and their vision about Gucci is translated into colorful, romantic, and poetic items targeting, also, young consumers.

Gucci is part of the Kering group (since 1999), accounting for 59%⁸ of the group revenue. This group has its headquarters in France, the revenue of \$17,783 m, a net profit margin of 14.53 % (a decrease of -46.56% compared with 2018), and 34,902 employees, in 2019²⁵. Related to Gucci, its number of employees grew to 2,400²⁶, in 2019. Gucci had global revenue of 9.63

²² (Capri Holdings Limited: Annual Report, 2020)

²³ (Gucci History, n.d.)

²⁴ (CHARTING THE EVOLUTION OF GUCCI, 2019)

²⁵ (Kering S.A.- Financial and Strategic Analysis Review, 2020)

²⁶ (Gucci, 2020)

billion euros²⁷, in 2019, and its revenue in the first quarter of 2020 ascended to 1,804.1 million euros, representing a decrease of 23.2% compared with last year. Besides, it has a brand value of 17.63 billion U.S. dollars²⁸. Additionally, it has 487 directly-operated stores worldwide²⁹, more specifically, 207 in emerging countries, 65 in Japan, 109 in North America, and 106 in Western Europe³⁰. Moreover, the sales generated in the directly operated stores recoiled 33,4%⁸ in the first half of 2020, as the stores were closed. On the other hand, online sales and e-commerce development covered 50%⁸. Regarding Gucci items, the ones that generate more revenue are leather goods (55%), shoes (19%), ready to wear (15%), watches, and jewelry (4%) and other (7%)³¹.

In 2019, Gucci created an app, where consumers can play games (retro style arcade) and there is a space of AR try-on Gucci's sneakers and watches.

In 2020, Gucci's Epilogue Show was the brand's most viewed digital event, accounting with 35.2 million³² views worldwide. This livestream event was 12 hours show and was available on the brand's website, YouTube, Twitter, Weibo, Gucci app and Facebook.

²⁷ (*Number of Kering Group Stores Worldwide 2019, by Brand, 2020*)

²⁸ (*Global Brand Value of Gucci from 2016 to 2020, 2019*)

²⁹ (*Number of Kering Group Stores Worldwide 2019, by Brand, 2020*)

³⁰ (*Number of Directly Operated Gucci Stores Worldwide from 2013 to 2019, by Region, 2019*)

³¹ (*Kering First-Half Report 2020, 2020*)

³² (*Zargani, 2020*)

Chapter V: Findings

This chapter's goal is to develop answers to my research question (figure 11), across the analysis of the chosen companies. I used quotations to ensure methodological trustworthiness (Healy & Perry, 2000). A detailed table with extra quotations can be found in Appendix 3, table 11.

The chapter is divided by the employees' roles: “*enablers*” (5.1.), “*innovators*” (5.2.), “*coordinators*” (5.3.), “*differentiators*” (5.4.), “*personal shoppers*” (5.5.), “*educators*” (5.6.) and “*clienteling*” (5.7.).

5.1. Transforming employees into “*enablers*”

“*Enablers*” role is one of the employees' roles present in the Larivière et al. (2017) framework. It concerns the facilitation of the interactions between consumers and technology, during the core-service encounter.

This section involves the influence of digital on “*enablers*” (5.1.1.) and the relation with luxury experience (5.1.2.).

5.1.1. *The influence of digital on “enablers”*

In all companies selected, interviewees agreed that digital could help employees to become enablers. For instance, they can help the customers to buy on brand website, when the product is not available in the store. The digital tool acts as an employee's augmentation (Larivière et al., 2017), because it assists the employee to conclude a purchase. For instance, Caterina, Gucci client service, believes:

“The iPad in-store gives the possibility for the client to order an item that is not available in store but is available on Gucci.com, paying it, and receive it either in-store or directly at home.”

5.1.2. *Stimulating the luxury experience through “enablers”*

During the core service encounter, clients can be confronted with an escapist experiential zone (Atwal & Williams, 2009) to promote a unique luxury experience, supported by state-of-the-art technology. The “enablers” assist customers to use the in-store technology. This happens more frequently in Gucci stores than other companies as they don’t have digital innovations inside the store. For instance, in the Gucci Soho store, a wide variety of technology is included to offer to customers an outstanding experience:

“In addition to an interactive LED wall, space will debut a 3D video display. The video displays are housed within an intimate screening room equipped with custom Muzik headphones and armchairs in turmeric.” (Gucci Has a Bold New Store in SoHo, New York, 2018)



Figure 9 – Gucci Soho store (Gucci Soho store Gucci Has a Bold New Store in SoHo, New York, 2018).

5.2. Converting employees into “innovators” and motivating a luxury experience

Employees are innovators when recommending technologies to the company to be applied. In all of the luxury stores studied, participants pointed out the importance of this role as they are the ones who have a closer relationship with clients and who are on the field:

“It is the sales assistants who work directly with the consumer, so we always like their opinion...” (Interview of Gabriele, store manager, Versace)

In their perspective, the technology should be implemented as a “*augmented*” role, to help to assist better the clients and maintain the interaction with them. However, employees reflected the importance of the receptibility of store managers/ owners of these changes. Maria, Loja das Meias assistant, uttered, offering her experience:

“We often propose changes to the owners of the brand, but as we are a very familiar company, they are always well accepted (...). A CRM system would help us a lot to join all the information and our notes about the clients.”

5.3. Converting employees into “*coordinators*”

The “*coordinator*” role occurs when the employee coordinates a variety of relationships (Larivière et al. 2017).

This section commences with the coordination of employee-digital-consumer relationship (5.3.1.). Followed by the support of CRM (5.3.2.), which includes: the use of digital information (5.3.2.1.); individualization of the experience (5.3.2.2.). Then, employee-CRM relationship (5.3.3.), employee and clienteling department relationship (5.3.4.) and employee-stock manager relationship (5.3.5.).

5.3.1. *Coordinating employee-digital-consumer relationship*

The impact of the digital created a new job and a new position for sales assistants: client service. This service is only available in Gucci and Josefinas. In the case of Josefinas, being a 100% online brand, consumer interacts with the brand always through digital:

“(...) available via phone, email, or private message to clarify any doubts or questions, even having alternatives for those who do not like to buy directly from the site.” (Interview of Carolina, Marketing, Josefinas)

The digital has a role of a relationship facilitator, and never the substitution of employees (Larivière et al., 2017), in other words, “*technology is (...) super important to help us, to support us, but we will never change that approachability with the client.*” (Mccall, 2019). As it comprises creating a one-to-one relation with consumers always via digital. Caterina, Gucci client service, explained her work:

“My work is basically digital, as I work in the e-commerce/client services, so I would say that I work on the digital side of the company. To be more precise, in the digital point of contact with the client. So, without the digitalization, my job would not exist.”

In the case of Gucci, as participants shared, this service is entitled “*Gucci 9*”. The idea was to recreate the store environment through digital, including personalized and long-term relationships with the clients, as the CEO of Gucci highlighted:

“The mission of our Gucci 9 global service center is to provide our customers around the world with a direct connection to the Gucci community that is a seamless, always accessible, personalized experience. The service is delivered according to the values that define and differentiate our brand today: a human touch powered by technology.” (Roxan, 2020)

There is a space recreated to be like a store, where client assistants can feel that they are involved with Gucci environment, to provide a better service:

“There are even mini-showrooms set up with a selection of current product, and employees are decked out with wireless headsets so that they can answer detailed questions about something like the latest sneaker or this season’s bag. This way, Gucci can assist customers without adding strain on in-store employees, who themselves are quite busy, while still providing the same level of service. (...) Here, employees also email and live chat, and can develop one-on-one relationships with customers.” (Mccall, 2019)

Related to Gucci Live, Carmo, Gucci sale assistant, explained how it works:

“Gucci Live is a service that involves two sales assistants (one filming and the other talking to the customer), in Italian studios, organized like a store. They help the customer in live video, showing the products and storytelling. Thus, sales assistants do the same service of a store, but at home.”

5.3.2. Coordinating the support of CRM

CRM use is imperative for luxury brands. However, only Gucci, Josefinas, and Versace have this tool. It needs to be coordinated, as the employees can add information to the system or use the information provided to manage the client relationship.

5.3.2.1. Clear use of digital information

The digital has an “*augmentation*” role (Larivière et al., 2017), as technology can help employees to complement the service and help employees deciding which is the most appropriate strategy for each consumer. Gabriele, Versace store manager, highlighted below:

“CRM is a digital way to take care of our clients in a more modern way. Everything can start with an idea of a client book (a book that was very used in the past before the CRM system). This was used to keep the relationship with customers. CRM is just an evolution of the client book (name, address, phone number, and add low information that you can use to remember the customer such as age, job, the product that was looking for, the color that he/ prefer. This information is only used if you did a good selling ceremony before. I should know in 100 customers how many of them I know properly (a customer that are in contact with me, very close): if I write a message, they reply to me, they are very loyal. Then I have new customers, customers not new, but I am trying to create a relation with them. Also, I have prospective customers, the ones that met inside the store, I took the name of this person, but did not purchase anything. With these 4 typologies, it is important to use 4 different strategies: send a message, flowers. We should know what is the best one and who I can take the money.”

However, it can only occur if the client-advisor is “*customer-oriented*”, commented Manuel, Versace store manager.

5.3.2.2. A way to individualize the experience

Moreover, CRM brought diverse capabilities to the client-advisor through the use of clienteling apps (Kering: *Client Experience, CRM & Data*, n.d.):

- **Event management:** tracks when a client has been encouraged to go to brands’ events;
- **Customer knowledge:** collect as much information as possible from online and offline interactions to discover his/her interests;
- **Task suggestion:** coordinate the client-advisor activities based on the information and comportment of the customer and the view of advisor workday;
- **Customer intelligence:** support client advisor in his/ her interactions with customers.

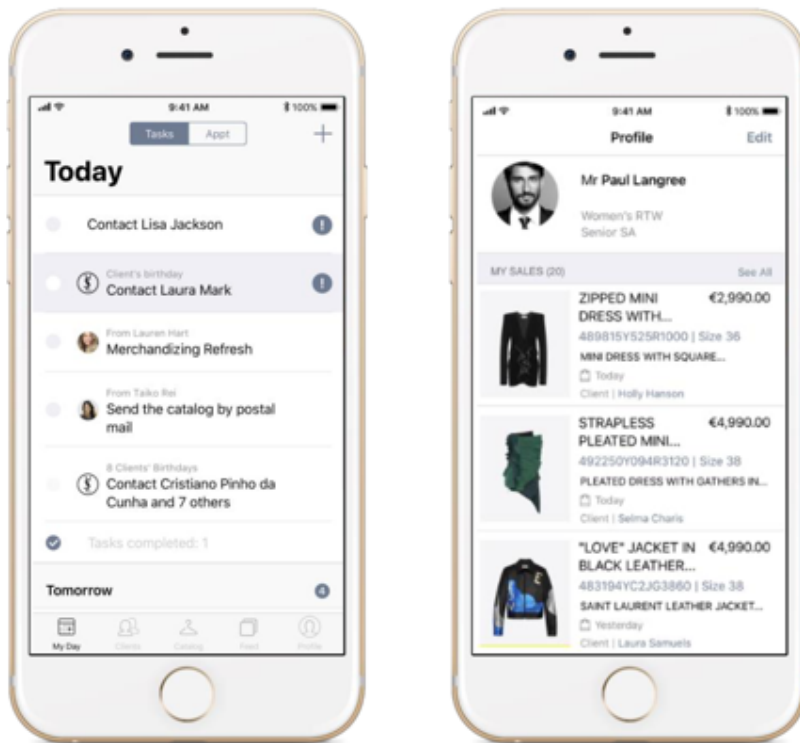


Figure 10 – Gucci Luce clienteling app (Kering: Client Experience, CRM & Data, n.d, p. 11).

With this in mind, CRM can help employees to personalize the customer experience, creating, at the same time, a closer relationship with clients:

“CRM tools are important to create a history of the interactions between the client and the brand. With the tool that we use we can trace all the contacts that a client had with our client service, every call, email, chat. We can also keep a trace of the birthday, the address, the category of the client, and purchases from e-commerce. I think that this CRM tool is useful, because if today the client call and talks with me about a problem, and tomorrow he calls again, but I’m on my day off, my colleague is immediately able to find the case of the client and continue the work. In this way, the client doesn’t need to start all over again. At the same time, if I do a phone order with a client, everyone can see in the future that the client is mine, and I continue to build a relationship order by order.”
 (Interview of Caterina, client services, Gucci)

5.3.3. Coordinating Employee-CRM relationship: When employees add information to the digital to create a personalized experience

Frontline employees can coordinate the relationship with CRM systems as some information can only be decoded by sales assistants in the selling ceremony. This valuable information can be *“Personal data such as names, addresses and orders placed, as well as preferences, birthdays, favorite products and notes that are relevant to better please the customer”* as Carolina, Marketing, Josefinas discussed. Then, information will be added to CRM systems,

such as Gucci Luce app and Versace clienteling app. So, it will help employees to be the coordinators of the employee-client relationship.

5.3.4. Coordinating employee and clienteling relation: when employees ask the help of the clienteling department to design a unique experience

At Gucci, there is a clienteling department that has the objective to use the CRM information and create a personalized experience with the help of sales associates to the customers. They use digital to have access to the data (birthday date, for example) and create exceptional experiences for their customers. Below, Camille, Gucci store manager, exemplified:

“We have a VIP room for special customers or special occasions. For example, we have clients who come on their birthday to choose a specific gift. In advance, we privatize this room and with the help of the clienteling department we buy a cake, bring flowers.”

Employees are the “coordinators” of this relationship since they are the ones who will put into practice the advice and suggestions of the clienteling department (they are the ones who know better the client and have a closer relationship). Camille, Gucci store manager, illustrated:

“With the help of the clienteling department, for example, on a client birthday, we knew he was a big fan of watches, we offered a Gucci box to store their watches with their initials. We also accompanied a card with a personalized message from the shop assistant who usually assists him.”

5.3.5. Employee- stock manager: a relationship mediated by digital

Frontline employees of all the companies studied are also in contact with the stock manager, mainly through digital. For example, Inês, Loja das Meias’ sales assistant, mentioned that they “have a software to check the stock”. Similarly, Rodrigo, Versace sales assistant, comments on the usage of the augmented digital tool:

“Or for example, if I need to see sizes of a certain item that my client needs, I ask through the application where I can see the stock (the Showcase computer program).”

As we can see, the employees have the role of “coordinators” in the relationship with the stock manager, as they only use the stock manager software to assist the clients when they need it.

5.4. Transforming employees into “differentiators” in a relationship with customers

The last role is “differentiator”. It is related to the emotional relationship that employees can have with clients, continuously feeding the dream (‘*Trabalho Todos Os Dias Porque Gosto,*’ n.d.), that is not easily copied by digital. Marco Bizzarri, Gucci CEO, argued that “*Is about emotions, take care and enjoy!*” (Yahn, 2017). Nevertheless, digital can take the role of “network facilitator” (Larivière et al., 2017) and strengthen their interaction. This can happen in all of the cases studied.

The use of digital as a “network facilitator” can nurture the dream and aid to foster a personalized post-core service encounter. For example, the use of WhatsApp or WeChat, benefiting employees to maintain the relationship with clients and nourish it, talking with them regularly. Caterina, Gucci client services, assured:

“I think that thanks to digitalization, the relationship between client and client advisor is stronger and deeper because they have the possibility of staying always in contact. Some examples of activities to keep the long-term relationship are provide the business phone number to the client; contact the client presenting the products in preview; remind and congratulate in the special occasion (birthday, anniversary, Christmas, etc); invite them to special events; send them gifts for special occasions. This will make customers loved.”

They can advance how will be the next core service encounter by the clients’ tastes and needs using WhatsApp, being in constant contact with them until the next meeting, Ana, Loja das Meias’ sales assistant, advanced:

“Often what happens is that we store pieces that we think the customer might like and, we store without talking to the customer. Then we say using our WhatsApp or a call: “Look, I have some pieces here for you, when you want you can come”, customers will feel beloved.”

5.5. Digital facilitating the personal shopper role

Personal shopper role happens when employees support customers “*to combine the look, how to treat the piece as it should be taken care of*” as António, Gucci sales assistant, accounted for. Also, they need to educate consumers on how to dress according to the brand DNA,

creating very personalized attention to the client. This role was commented on in all the cases by the interviewees:

“We help the client to combine the pieces so as not to hurt the brand identity, because each collection has several themes, each theme is inspired by a collection and we try to pass this information on. More than a piece, we want to sell a story, the reason for being made this way, the reason for having these details. So, that a person when buying has some identity and knows that they are buying something with a story”. (Interview of Rodrigo, sales assistant, Versace)

In terms of Loja das Meias, as a multi-brand store, it tries to help clients to dress not according with the company image, but *“following each brand image”*, asserted Inês, Loja das Meias’ sales assistant.

The digital can simplify this interaction with clients as it can act as a *“network facilitator”* (Larivière et al., 2017). For instance, research participants of all of the luxury brands studied noted that this can occur during the core service encounter or in a post-core service encounter. If it ensues in the last one, the use of WhatsApp (through a call, messages with photos or video call) is fundamental:

“The other day, a customer of ours, bought a mink coat. Then, one or two hours later, called the seller via a video call from WhatsApp, to help her match the coat to the pieces she had at home. It took more than 1h”. (Interview of Ana, sales assistant, Loja das Meias)

5.6. Educator role generated through digital training

This section starts by exposing the digital training (5.6.1.). Then, the cultivation of escapism through storytelling is presented (5.6.2.).

5.6.1. The digital training

In all the cases, training starts when a worker joins the company, after the recruitment. But Versace and Gucci go further. They have continuous training. The training has the purpose of employees to be informed about *“knowledge about the products, brand, materials to know how to do a storytelling of the products”* stated Carmo, Gucci sales assistant.

Particularly, Gucci (through Luce app (*Kering: Client Experience, CRM & Data*, n.d.)) and Versace (virtual coach) used this opportunity to include digital. Rodrigo, Versace sales assistant, explained:

“We have an app (virtual coach) in which, at any moment in time, I can study the different products through videos and sessions and, in the end, an exam. This helps us to improve our storytelling. Also, one morning each week, we have our morning briefing, in which one of us needs to present a topic (e.g., cross-selling) to the other colleagues and store manager.”

5.6.2. Cultivating escapism through storytelling

The storytelling helps customers to escape. All of the studies revealed the same: every single detail of the stores, for instance, “*brand books*” as Maria, Loja das Meias’ sales assistant, suggested or even the in-store technology (“*televisions, where our fashion shows are passed*” Rodrigo, sales assistant, Versace), can cultivate escapism.

5.7. Digital influence over clienteling role to deliver a personalized experience

The clienteling employee role, in all companies studied, takes place when advisors use the CRM data or in their notes to personalize the customer experience. More specifically, Caterina, Gucci client service, explained that “*Every time a client-advisor has a contact with one of his clients, we say that he is doing “clienteling activity”*”.

Besides, clienteling apps of Gucci and Versace allow frontline employees to empower the relationship with clients and raise sales through effective clienteling activities and cross-selling suggestions, as they can use the clients’ information (*Kering: Client Experience, CRM & Data*, n.d.). After, WhatsApp and WeChat play a network facilitator role as they are used to personalize the experience of the client:

“WhatsApp is fundamental. I can customize the messages or leave the default messages we can send from our clienteling app. Let’s imagine that I know if I consult my app, I know which customer anniversary is today and if he has in my database and I must contact the customer (I can change the template or use the default), but everything depends on the relationship I have with the customer: I can be very professional. If I have a lot of confidence in the customer, I will send him a message and call him. It always depends on confidence.” (Interview of Rodrigo, sales assistant, Versace)

To sum up, table 11 (Appendix 3) reflects how employees' roles are affected by digital, more precisely, the digital tools used in each role.

Chapter VI: Discussion and Conclusions

This dissertation has examined how digitalization influences the employees' roles to improve the luxury experience.

By answering my research question, I contribute to the stream that explores the different employees' roles (Bowen, 2016), the types of interactions between consumers, employees, and technology (Holmqvist, Wirtz, et al. 2020), and the roles that technology can take, in a luxury setting (Larivière et al., 2017).

The first contribution is associated with the employees' roles. Previous research (Bowen, 2016; Larivière et al. 2017) showed that employees' roles were constituted by “*enablers*”, “*innovators*”, “*coordinators*” and “*differentiators*”. My findings extend this research and suggest that employees have the role of personal shopper, educator, and clienteling as shown in the table below:

Employee Role	Definition	Citation
Enabler	Supporting and counseling clients and technology to act properly	(Bowen, 2016)
Innovator	Listen to customers' recommendations to improve the service	
Coordinator	Coordinate different relationships	
Differentiator	Perceive clients' emotions and create a relationship with them	
Personal Shopper	Educate and help customers on how to dress according to the brand DNA	Author
Educator	Educate clients about the brands' values, history, symbols through storytelling	
Clienteling	Use the data (CRM or employees' notes) to create personalized activities to promote a long-term relationship	

Table 1 – Definitions of employees' roles (the author).

The second contribution comprises the incorporation of roles technology (Larivière et al., 2017) in a luxury field. The technology can play the role of “*augmentation of employees*”, by assisting the workers in the service encounter. Also, it can achieve the function of “*network facilitation*”, operating as an “*enabler*” of relationships. In the luxury setting the “*substitution of employees*” must never happen. Furthermore, my research goes further and integrates the

influence of these roles in employees' roles. Thus, we can see that the “*enabler*” role is influenced by the augmentation digital role, since digital assists employees to facilitate the interaction between consumer and technology. For example, when a product is not available in the store and consumers want to buy online: an employee uses an iPad to assist this interaction. Also, the “*enablers*” role can be seen inside the store from another perspective. Employees can assist clients in how to use technology that is integrated in the store, escapist zone (Atwal & Williams, 2009), to deliver a better customer experience. This contrasts with Holmqvist, Wirtz, et al., (2020) outcomes, who relate the augmentation digital role with only the “*coordinator*” role.

Moreover, my findings further show what are the specific interactions within the “*coordinator*” role and completed the research of Holmqvist, Wirtz, et al., (2020), by specifying several relations and including the roles of technology (table below). This includes the relationship between employee-digital-customer, where the digital is a communication tool between employees and customers. This can be via video (for example *Gucci 9*), call or messages. The interviews revealed a new frontline employees' job: client service, in which the relationship is always mediated by digital. So, the digital works here as a network facilitator, since it allows customers to create a personalized relationship with clients. Additionally, the “*coordinator*” role involves coordinating the support of CRM. The employees have two avenues: they can use the information of CRM to implement different strategies to the several segments of clients to individualize the experience, or add vital information about the clients (name, notes about the purchase, address). So, the digital role here is to augment employees, as it assists their role. As my findings showed, CRM brought diverse capabilities to the employee through the use of clienteling apps: event management (track when a client goes to a brand event or is invited); customer knowledge (include the information of the client in online and offline field, this explains why I consider consumer-digital interaction also a coordinator role); task suggestion (coordinate the client-advisor activities based on customer information) and customer intelligence (support client advisor in his interactions with customers).

Also, my findings revealed that the “*coordinator*” role includes the relation with the clienteling department, which only exists at Gucci. Client advisors coordinate this relationship as they are the ones who ask for help and put into practice the recommendations of the clienteling department. For instance, if a client-advisor wants to prepare a surprise for a particular client, they can ask the help of the clienteling department. This department will use CRM information

and propose an activity. If the activity involves writing a card, for example, it is the employee who will write the card, according to the relationship that has with the customer. The digital (CRM) has the role of augmentation of employees. Finally, the “*coordinator*” role includes the relation with the stock manager that is mediated by a specific stock manager program. So, the digital has an “*augmented*” role.

Relationships	Previous authors definitions	Citation	Author additional notes
Frontline employee-customer	Long-term relationships based on trust and loyalty		
Employee – digital – customer	Record clients' preferences, check the stock, transaction; “ <i>coordinator</i> ” and “ <i>enabler</i> ” role	(Holmqvist, Wirtz, et al., 2020)	Could be a client-advisor relationship (via call, video, message); Can happen in a post-service encounter through WhatsApp, Clienteling app, checking CRM
Consumer-digital	Employees as “ <i>coordinators</i> ” when it happens in-store		“ <i>Enabler</i> ” role (in-store) “ <i>Coordinators</i> ” role when a consumer uses the website (digital channel), CRM can track them;
CRM-Employee			CRM gives useful information to employees about clients;
Employee-CRM	Nonexistent		After the selling ceremony, many client information can be registered in CRM system;
Employee-Clienteling			Clienteling department can help employees to create personalized experiences to the customers;
Employee- stock manager			The use of a proper stock manager program.

Table 2 – Relationships within the coordinator role (the author).

Regarding “*innovator*” role, employees recommend changes to the store managers about technology. So, it has as a “*augmented*” role, to assist them to maintain the interaction with clients. For example, Maria, Loja das Meias assistant, suggested:

“We often propose changes to the owners of the brand, but as we are a very familiar company, they are always well accepted (...). A CRM system would help us a lot to join all the information and our notes about the clients.”

Related to the “*differentiator*” role of the employee, which includes creating an emotional relationship with the client, data disclosed that this long-term relationship needs to continuously feed it. This happens, also, in a post-core encounter service when the employee maintains the relationship with his clients through WhatsApp or WeChat. So, the digital has the role of “*network facilitator*”. The same happens with the personal shopper role, that can use WhatsApp to keep this role outside the store. This complements Holmqvist, Wirtz, et al. (2020) article, which only addresses the relation employee-digital-customer in terms of “*coordinator*” and “*enabler*” roles.

Regarding the educator role, employees have continuous digital training through an app to acquire knowledge about the products, how to sell to improve and develop their storytelling. So, the digital works within an “*augmented role*”, helping employees to deliver a differentiated customer experience. The storytelling can be done using elements of escapism, which can include digital elements, such as televisions that demonstrate the fashion shows (entertaining zone (Atwal & Williams, 2009)). Employees can also educate consumers about the brands’ values. This can be made using storytelling or educational experiential zones (Atwal & Williams, 2009), where a specific place of the store can have this objective. Josefinas is the best example of it:

“(...) Principles we stand for (e.g., the #ProudToBeAWoman circle, where people could take #shoeselfies). We also made a point of organizing events in the shop, where we discussed current affairs, highlighted inspirational women, and presented the history of the brand and the collections” (Interview of Carolina, Marketing, Josefinas)

Also, employees can use the aesthetics of “*experiential zones*” (Atwal & Williams, 2009) to educate consumers about the brand DNA. In all brands, participants agreed on the importance of aesthetics of storytelling and to make consumers feel inside the brand environment.

“(...) interior design of the stores put in evidence many of the Gucci symbols and we can use it to tell stories to consumers about the brand and involve them in the brand spirit” (Interview of Caterina, Client service, Gucci)

Regarding the clienteling role, it occurs when advisors use the CRM data or in their notes to personalize the customer experience. WhatsApp and WeChat play a “*network facilitator*” role

as they are used to personalize the experience of the client. For instance, client advisors can see the notes about the birthday of a customer and then send a personalized message or call to the client.

Moreover, it was interesting to find that all participants of the companies studied argued that they do not differentiate the clients, all clients are treated in the same way and “*all clients are the top clients*” which contrasts with the conclusions of Dion & Borraz, (2017); Wirtz et al., (2020); Kapferer & Bastien, (2012)). Camille, Gucci store manager, advanced that this is a question of store space, because in her store in Paris they have “*two doors: one for clients that do not want to be seen and another that everyone can enter*” and they serve drinks to all clients.

In conclusion, my findings are aligned with Dion & Borraz (2017), who highlighted the importance of the relationship between employee and client in the luxury setting, dared to say that this relationship is what defines luxury. Moreover, regarding the new definition of a luxury service (Wirtz et al., 2020), with the support of my findings, it is missing when there is a service associated with a purchase of a luxury good. In this sense, the author missed the closer relationship created with the consumer and the storytelling, not only in social media but also in the selling ceremony and in a post-core encounter service. With this in mind, my findings are consistent with Larivière et al., (2017) perspective: co-creation of value can only happen when both parties engage and are familiarized with technology and employees are conscious about their roles and how technology could help them.

The managerial implications of my research involve understanding and accepting that frontline employees have different roles. So, store managers should accept the employees’ suggestions to improve the service. Also, if managers understand employees’ roles correctly when there is a change in employees’ roles, managers could be more prepared to talk with employees and to propose changes. Moreover, with this research, managers could look to the company that are working for and try to apply technologies that facilitate the work of employees, using some of the examples that participants shared to improve efficiency, efficacy and at the same time deliver a luxury experience to his customers. Besides, managers should promote activities of training for frontline employees to be comfortable with their roles and use of technology. In this sense, employees will create value.

Likewise, I need to recognize that my thesis has some limitations. First of all, I could be biased, since I am the only researcher who reviewed the categories and interpreted the data, which affects the reliability of my dissertation (Riege M., 2003). So, to certify the internal validity of the content analysis, more researchers could review it. Also, my research focuses on a limited number of companies (4). Moreover, we are passing by a pandemic crisis, so it was harder to get more interviews for each of the companies studied. I think that it could be better to have more interviews from different jobs functions of each company to sustain my results.

Finally, further research could investigate the opinion and perspective of consumers about the employees' roles and the influence of digital. Indeed, could be interesting to investigate the perspective of other brands located in different markets in the luxury industry, as the companies that have been studied are from Portugal and Italy, which was not intentional. Several promising paths are investigating the influence of digital in employees' roles in the other two quadrants of the digital competitive map luxury: one company with a low digital customer experience and with low digital strategic reach; a company with a high digital customer experience and with low digital strategic reach to complement my results. Furthermore, it could be stimulating to test the same model, but adapting it to use a quantitative method to allow the researcher to generalize more the results and in the end, increase the external validity (Scandura A. & Williams A., 2000).

References

- A vestir Lisboa há mais de um século.* (2018). <https://www.forbespt.com/a-vestir-lisboa-ha-mais-de-um-seculo/?geo=pt>
- Achille, A., Daniel Zipser, & Daniel. (2020). *A perspective for the luxury-goods industry during—And after—Coronavirus.* Mckinsey & Company.
- Aiolfi, S., & Sabbadin, E. (2019). *Fashion and New Luxury Digital Disruption: The New Challenges of Fashion between Omnichannel and Traditional Retailing.* 14(8). <https://pdfs.semanticscholar.org/d3c8/be95d004c2e2160c03eed0b9db8f31422882.pdf>
- Arditto, L., Cambra-Fierro, J. J., Fuentes-Blasco, M., Jaraba, A. O., & Vázquez-Carrasco, R. (2020). “How does customer perception of salespeople influence the relationship? A study in an emerging economy.” *Journal of Retailing and Consumer Services*, 54. ScienceDirect. <https://doi.org/10.1016/j.jretconser.2019.101952>
- Atwal, G., & Williams, A. (2009). *Luxury brand marketing—The experience is everything!* 6(5/6), 338–346.
- Baker J, M. (2018). *Book Review: Case Theory in Business and Management: Reinventing Case Study Research by Evert Gummesson.* 17(4), 335–340.
- Bansal, P. (Tima), Smith, W. K., & Vaara, E. (2018). New Ways of Seeing through Qualitative Research. *Academy of Management Journal*, 61(4), 1189-1189–1195. Business Source Complete. <https://doi.org/10.5465/amj.2018.4004>
- Barton, C., Bonelli, F., Gurzki, H., Pianon, N., Tsusaka, M., & Mei-Pochtler, A. (2016). *Digital or Die: The choice for Luxury brands.* BCG. <https://www.bcg.com/en-pt/publications/2016/digital-or-die-choice-luxury-brands>
- Baumann, J., & Le Meunier-FitzHugh, K. (2015). Making value co-creation a reality – exploring the co-creative value processes in customer–salesperson interaction. *Journal of Marketing Management*, 31(3–4), 289-289–316. Business Source Complete. <https://doi.org/10.1080/0267257X.2014.956137>
- BIONDI, A. (2020). Luxury’s big geographical pivot to Asia. *Vogue Business.*
- Birkinshaw, J., Brannen Yoko, M., & Tung L, R. (2011). *From a distance and generalizable to up close and grounded: Reclaiming a place for qualitative methods in international business research.* 42, 573–581.
- Bowen, D. (2016). *The changing role of employees in service theory and practice: An interdisciplinary view.* 26, 4–13.

- Brodie, R., Fehrer, J., Jaakkola, E., & Conduit, J. (2019). *Actor Engagement in Networks: Defining the Conceptual Domain*. 22(2), 173–188.
- Bytyci, A. (2020). *What generation Z expects from Luxury Brands*. <https://www.gbnews.ch/what-generation-z-expects-from-luxury-brands/>
- Cailleux, H., Mignot, C., & Kapferer, J.-N. (2009). *Is CRM for Luxury Brands?* 16(5/6), 406–412.
- Capri Holdings Limited: Annual Report*. (2020). Capri Holdings Limited. http://s22.q4cdn.com/557169922/files/doc_financials/2020/ar/CAPRI-FY2020-ANNUAL-REPORT.pdf
- Capri Holdings Ltd- Financial and Strategic Analysis Review*. (2020). Market Line. https://advantage.marketline.com/Company/Summary/michael_kors_holdings_ltd_gd_320653
- Capri Holdings' revenue share worldwide in 2020, by business segment*. (2020). Statista Research Department. <https://www.statista.com/statistics/875070/revenue-share-of-michael-kors-by-business-segment/>
- Carbone, M. (2020). *Fashion 4.0: Come l'innovazione sta trasformando il mercato della moda*. <https://www.industry4business.it/industria-4-0/fashion-4-0-come-linnovazione-sta-trasformando-il-mercato-della-moda/>
- Cervellon, M.-C., Poujol, J., & Jr. Tanner, J. F. (2019). *Judging by the wristwatch: Salespersons' responses to status signals and stereotypes of luxury clients*. 51, 191–201.
- Chandon, J. L., Laurent, G., & Vallete-Florence, P. (2015). *Pursuing the concept of luxury: Introduction to the JBR Special Issue on "luxury Marketing from Tradition to Innovation."*
- CHARTING THE EVOLUTION OF GUCCI*. (2019). <https://www.crfashionbook.com/fashion/a26934683/evolution-gucci-designer/>
- Chevalier, M., & Gutzatz, M. (2020). *Luxury Retail and Digital Management: Developing Customer experience in a Digital World* (Second).
- Chylinski, M., Heller, J., Hilken, T., Keeling, D. I., Mahr, D., & de Ruyter, K. (2020). *Augmented reality marketing: A technology-enabled approach to situated customer experience*. *Australasian Marketing Journal (AMJ)*. ScienceDirect. <https://doi.org/10.1016/j.ausmj.2020.04.004>
- Corley G., K., & Gioia A., D. (2004). *Identity Ambiguity and Change in the Wake of a Corporate Spin-off*. 49, 173–208.

- Cristini, H., Kauppinen-Räsänen, H., Barthod-Prothade, M., & Woodside, A. (2017). Toward a general theory of luxury: Advancing from workbench definitions and theoretical transformations. *Journal of Business Research*, 70, 101–107. <https://doi.org/10.1016/j.jbusres.2016.07.001>
- D'Arpizio, C., Levato, F., Prete, F., & de Montgolfier, J. (2020). *Eight Themes That Are Rewriting the Future of Luxury Goods*. Bain & Company.
- Designers. (n.d.). <https://www.lojadasmeias.pt/pt/designers/>
- Dey, I. (2003). *Qualitative data analysis: A user friendly guide for social scientists*.
- Dhaliwal, A., Singh, D., & Paul, J. (2020). *The consumer behavior of luxury goods: A review and research agenda*.
- Digital Competitive Map Luxury 2019. (2019). Altgamma. <https://www.readkong.com/page/digital-competitive-map-luxury-2019-6938563?p=5>
- Dion, D., & Arnould, E. (2011). Retail Luxury Strategy: Assembling Charisma through Art and Magic. *Journal of Retailing*, 87(4), 502–520. <https://doi.org/10.1016/j.jretai.2011.09.001>
- Dion, D., & Borraz, S. (2015). *Managing heritage brands: A study of the sacralization of heritage stores in the luxury industry*. 22, 77–84.
- Dion, D., & Borraz, S. (2017). Managing Status: How Luxury Brands Shape Class Subjectivities in the Service Encounter. *Journal of Marketing*, 81(5), 67–85. <https://doi.org/10.1509/jm.15.0291>
- Dubois, B., & Paternault, C. (1995). *Understanding The World Of International Luxury Brands- The “dream Formula.”*
- Elo, S., & Kynga's, H. (2007). *The qualitative content analysis process*. 62, 107–115.
- How to communicate your brand to Millennials: The Gucci case. <https://www.juliusbaer.com/it/insights/entrepreneurship/how-to-communicate-your-brand-to-millennials-the-gucci-case/>
- Fusch, P., E. Fusch, G., & Ness R., L. (2018). *Denzin's Paradigm Shift: Revisiting Triangulation in Qualitative Research*. 10(1).
- Girod JG, S. (2020). *Luxury Brands Should Augment Human Touch Despite Coronavirus*. <https://www.forbes.com/sites/stephanguirod/2020/05/24/luxury-brands-can-strengthen-human-connections-in-4-ways-despite-coronavirus/>
- Global brand value of Gucci from 2016 to 2020. (2019). Statista Research Department. <https://www.statista.com/statistics/980720/gucci-brand-value-worldwide/>

- Global Luxury Retail in the Digital Era.* (2019). ICSC.
<http://web.b.ebscohost.com/ehost/pdfviewer/pdfviewer?vid=5&sid=c7f3db41-abc4-4043-95b0-5d93bf7a20d5%40sessionmgr103>
- Global revenue of Versace in 2020, by region.* (2020). Statista Research Department.
<https://www.statista.com/statistics/1013140/versace-revenue-by-region-worldwide/>
- Golafshani, N. (2003). *Understanding Reliability and Validity in Qualitative Research.* 8(4), 597–607.
- Green, J., Wilis, K., Hughes, E., Small, R., Welch, N., Gibbs, L., & Daly, J. (2007). *Generating best evidence from qualitative research: The role of data analysis.* 31(6).
- Gucci. (2020). <https://www.forbes.com/companies/gucci/>
- Gucci has a bold new store in SoHo, New York.* (2018).
<https://www.architecturaldigest.in/content/gucci-bold-new-store-soho-new-york-photos/#s-cust0>
- Gucci History.* (n.d.). <https://www.kering.com/en/houses/couture-and-leather-goods/gucci/history/>
- Hagberg, J., Jonsson, A., & Egels-Zandén, N. (2017). *Retail digitalization: Implications for physical stores.* 39, 264–269.
- Healy, M., & Perry, C. (2000). *Comprehensive criteria to judge validity and reliability of qualitative research within the realism paradigm.* 3(3), 118–126.
- Hennigs, N., Wiedmann, K.-P., & Klarmann, C. (2012). *Luxury Brands in the Digital Age – Exclusivity versus Ubiquity.* Marketing Review St. Gallen.
- History of Versace and Background.* (2020). *Fashion in Time.*
- Holmqvist, J., Ruiz, C., & Peñaloza, L. (2020). *Moments of luxury: Hedonic escapism as a luxury experience.* 116, 503–513.
- Holmqvist, J., Wirtz, J., & Fritze, M. (2020). *Luxury in Digital Age: A multi actor service encounter perspective.*
- In depth: Luxury Goods 2020.* (2020). [Statista Consumer Market Outlook]. Statista.
- Josefinas abre duas Pop-up stores em Portugal.* (2019).
<https://www.distribuicao hoje.com/retalho/josefinas-abre-duas-pop-up-stores-em-portugal/>
- Josefinas abre loja pop up em Lisboa.* (2017). <https://www.vogue.pt/josefinas-abre-loja-pop-up-em-lisboa>

- Josefinas: As sabrinas de luxo portuguesas que as celebridades adoram.* (2018). <https://ocio.dn.pt/sucesso/josefinas-as-sabrinas-de-luxo-portuguesas-que-as-celebridades-adoram/15727/>
- Josefinas: As sabrinas portuguesas chegaram a Nova Iorque.* (2016). <https://www.publico.pt/2016/07/22/p3/noticia/josefinas-as-sabrinas-portuguesas-chegaram-a-nova-iorque-1826395>
- Josefinas: História.* (n.d.). <https://josefinas.com/pt/historia>
- Josefinas querem crescer nos EUA com empurrão da Portugal Ventures.* (2015). https://www.jornaldenegocios.pt/empresas/pme/start-ups/detalhe/josefinas_querem_crescer_nos_eua_com_empurrao_da_portugal_ventures
- Josefinas: Sabrinas de Braga atravessam o Pacífico.* (2018). <https://www.jornaldenegocios.pt/negocios-iniciativas/premio-flad-ey-buzz-usa/detalhe/josefinas-sabrinas-de-braga-atravessam-o-pacifico>
- K. M., E., & M. E., G. (2007). *Theory Building From Cases: Opportunities And Challenges.* 50, 25–32.
- Kapferer, J., & Bastien, V. (2012). *The Luxury Strategy: Break the Rules of Marketing to Build Luxury Brands* (2nd ed.).
- Kastanakis, M. N., & Balabanis, G. (2014). Explaining variation in conspicuous luxury consumption: An individual differences' perspective. *Journal of Business Research*, 67(10), 2147–2154. <https://doi.org/10.1016/j.jbusres.2014.04.024>
- Kauppinen-Raisanen, H., Muhlbacher, H., & Taishoff, M. (2020). *Exploring consumers' subjective shopping experiences in directly operated luxury brand stores.* 57.
- Kelly, A. (2019). *GET YOUR HOLIDAY SHOPPING DONE AT GUCCI'S IMMERSIVE NEW POP-UP.* <https://www.crfashionbook.com/fashion/a29714956/gucci-pin-pop-up-shops/>
- Kering: Client experience, CRM & Data.* (n.d.).
- Kering First-Half Report 2020.* (2020). Kering. <https://keringcorporate.dam.kering.com/m/66ec349157ed4d98/original/2020-First-half-report.pdf>
- Kering S.A.- Financial and Strategic Analysis Review.* (2020). Market Line. https://advantage.marketline.com/Company/Summary/ppr_sa_wmi_104482
- Kim, J.-E., & Kim, J. (2013). *Making customer engagement fun: Customer-salesperson interaction in luxury fashion retailing.* 133–144.

- Kim, S., Park, G., Lee, Y., & Choi, S. (2016). *Customer emotions and their triggers in luxury retail: Understanding effects of customer emotions before and after entering a store*. 5809–5818.
- Klerk de, A. (2016). *Gucci launches a personalisation service*. <https://www.harpersbazaar.com/uk/fashion/fashion-news/news/a37236/gucci-launches-a-personalisation-service/>
- Ko, E., Costello, J. P., & Taylor, C. R. (2019). What is a luxury brand? A new definition and review of the literature. *Journal of Business Research*, 99, 405–413. <https://doi.org/10.1016/j.jbusres.2017.08.023>
- Langer, D. (2019). *Luxury 2030, Part 1: Gen Z Goes Mainstream and Disrupts Luxury*. <https://jingdaily.com/luxury-2030-part-1-gen-z-goes-mainstream-and-disrupts-luxury/>
- Larivière, B., Bowen, D., Andreassen, T., Kunz, W., Sirianni, N., Voss, C., Wunderlich, N., & Keyser, A. (2017). “*Service Encounter 2.0*”: An investigation into the roles of technology, employees and customers. 79, 238–248.
- Loja das Meias muda para a Avenida à procura de turistas*. (2016). <https://www.dn.pt/sociedade/loja-das-meias-muda-para-a-avenida-a-procura-de-turistas-5019933.html>
- Loja das Meias—História*. (n.d.). <https://www.lojadasmeias.pt/pt/loja-das-meias/historia/>
- LUXURY RETAIL AND CONSUMERS: WHAT HAS CHANGED AFTER COVID-19*
Experiential luxury is holding up, the gap between East and West is widening, and retail is facing a period of great change. (2020, June 23). Altagamma Consumer and Retail Insight, Milan.
- M Fionda, A., & M Moore, C. (2009). *The anatomy of the luxury fashion brand*.
- Ma, A. (2020). *What Chinese Online Platform Is Right For Your Luxury Brand?* <https://jingdaily.com/chinese-online-luxury-platforms-tmall-jd-gucci/>
- Macinnis, D., Park, C., & Priester, J. (2015). *Handbook of Brand Relationships*.
- Maria Cunha: “Já estive com uma pessoa que me dizia que sem ela não ia ser ninguém.”* (2019). <https://www.timeout.pt/porto/pt/compras/maria-cunha-ja-estive-com-uma-pessoa-que-me-dizia-que-sem-ela-nao-ia-ser-ninguem>
- Mccall, T. (2019). *EVEN GUCCI’S CLIENT SERVICE CENTERS GET THE ALESSANDRO MICHELE TOUCH*. <https://fashionista.com/2019/11/gucci-client-customer-service-centers>

- Merk, M., & Michel, G. (2019). *The dark side of salesperson brand identification in the luxury sector: When brand orientation generates management issues and negative customer perception*. 339–352.
- Merletti, V., & Piasentin, N. (2017). *JOB PROFILING: A STUDY OF THE ITALIAN FASHION LUXURY RETAIL SECTOR*. School of Industrial and Information Engineering Politecnico di Milano.
- Moore, C., Doherty, A., & Doyle, S. (2010). *Flagship stores as a market entry method: The perspective of luxury fashion retailing*.
- Moreau, C., Prandelli, E., Schreier, M., & Hieke, S. (2020). *Customization in Luxury Brands: Can Valentino get Personal?*
- Nastasi, B. K., & Schensul, S. L. (2005). Contributions of qualitative research to the validity of intervention research. *Journal of School Psychology, 43*(3), 177–195. <https://doi.org/10.1016/j.jsp.2005.04.003>
- Nojd, S. (2020). *Bridging the valuescape with digital technology: A mixed methods study on customers' value creation process in the physical retail space*. 56.
- Number of directly operated Gucci stores worldwide from 2013 to 2019, by region*. (2019). Statista Research Department. <https://www.statista.com/statistics/442796/number-of-gucci-stores-worldwide-by-region/>
- Number of Kering Group stores worldwide 2019, by brand*. (2020). Statista Research Department. <https://www.statista.com/statistics/1059134/number-of-kering-group-stores-worldwide-by-brand/>
- Number of retail stores of Versace worldwide as of 2020, by region*. (2020). Statista Research Department. <https://www.statista.com/statistics/1013152/number-of-stores-of-versace-worldwide-by-region/>
- Pantano, E., Passavanti, R., Priporas, C., & Verteramo, S. (2018). *To what extent luxury retailing can be smart?* 94–100.
- Portuguese Josefinas increase sales in the first half by 50% and see plow to 60 countries*. (2019). <https://www.winwin-links.pt/en/news/portuguese-josefinas-increase-sales-in-the-first-half-by-50-and-see-plow-to-60-countries/>
- Priporas, C., Stylos, N., & Fotiadis, A. (2017). *Generation Z consumers' expectations of interactions in smart retailing: A future agenda*. 77, 374–381.
- Ramos, A. I. (n.d.). *Temporada 4: À conversa com Maria Cunha, CEO das Josefinas* (No. 14). <http://anitanotrabalho.com/episodio-50/>

- Riege M., A. (2003). *Validity and reliability tests in case study research: A literature review with "hands-on" applications for each research phase*. 6(2), 75–86.
- Roggeveen, A., Grewal, D., & Schweiger, E. (2020). *The DAST Framework for Retail Atmospherics: The Impact of In- and Out-of-Store Retail Journey Touchpoints on the Customer Experience*. 96(1), 128–137.
- Rowe, W. J., Chullen, C. L., & Kirchoff, J. F. (2016). The Impact of Customer Motivation on the Customer-Salesperson Relationship. *SAM Advanced Management Journal* (07497075), 81(4), 23-23–36. Business Source Complete.
- Roxan, J. (2020). *Gucci Replicates It's Personalised In-Store Service Experience With an All-New Video Shopping Feature*. <https://www.luxuo.com/style/fashion/gucci-replicates-its-personalised-in-store-service-experience-with-an-all-new-video-shopping-feature.html>
- Scandura A., T., & Williams A., E. (2000). *RESEARCH METHODOLOGY IN MANAGEMENT: CURRENT PRACTICES, TRENDS, AND IMPLICATIONS FOR FUTURE RESEARCH*. 43(6), 1248–1264.
- Sharma, A., & Lambert, D. M. (1994). How accurate are salespersons' perceptions of their customers? *Industrial Marketing Management*, 23(4), 357–365. [https://doi.org/10.1016/0019-8501\(94\)90051-5](https://doi.org/10.1016/0019-8501(94)90051-5)
- Sharma, P., Jain, K., Kingshott, R. P. J., & Ueno, A. (2020). Customer engagement and relationships in multi-actor service ecosystems. *Journal of Business Research*. <https://doi.org/10.1016/j.jbusres.2020.07.031>
- Simons, H. (2009). *Case Study Research in Practice*. SAGE. <https://books.google.pt/books?id=7WHMNYEe434C&printsec=frontcover&dq=simons+2009&hl=pt-PT&sa=X&ved=2ahUKEwj8stuW3qTsAhVN5uAKHU0CD8UQ6AEwAHoECAUQAg#v=onepage&q=simons%202009&f=false>
- Sirianni, N., & Bitner, M. (2011). *Understanding consumer perceptions of service employee authenticity*. QUIS.
- Straker, K., & Wrigley, C. (2016). *Emotionally engaging customers in the digital age: The case study of "Burberry love."* 20(3).
- Surprenant, C. F., & Solomon, M. R. (1987). Predictability and Personalization in the Service Encounter. *Journal of Marketing*, 51(2), 86-86–96. Business Source Complete. <https://doi.org/10.2307/1251131>

- 'Trabalho Todos os dias porque gosto.' (n.d.).
http://www.katyadelimbeuf.com/TEXTOS_STRATOSPHERE/ENTREVISTA-PEDRO_COSTA/ENTREVISTA-Pedro_Costa.pdf
- Tracy J., S. (2019). *Qualitative Research Methods: Collecting Evidence, Crafting Analysis*. John Wiley & Sons. https://books.google.pt/books?hl=pt-PT&lr=&id=ipOgDwAAQBAJ&oi=fnd&pg=PP17&dq=how+to+make+interview+guide+qualitative+research+management&ots=WvvZq47zKq&sig=UakIBSXLQfsu3WR3h_3erZL7qtQ&redir_esc=y#v=onepage&q=how%20to%20make%20interview%20guide%20qualitative%20research%20management&f=false
- Tynan, C., McKechnie, S., & Chhuon, C. (2010). Co-creating value for luxury brands. *Thought Leadership in Brand Management*, 63(11), 1156–1163.
<https://doi.org/10.1016/j.jbusres.2009.10.012>
- Versace History*. (n.d.). <https://www.versace.com/international/en/about-us/company-profile.html>
- Versace SA*. (2020). Zoom Company Information. <https://advance.lexis.com/api/document?collection=company-financial&id=urn:contentItem:5PYD-RC90-DN0H-9530-00000-00&context=1516831>.
- Voorhees, C., Fombelle, P., Gregoire, Y., Bone, S., Gustafsson, A., & Walkowiak, T. (2017). *Service encounters, experiences and the customer journey: Defining the field and a call to expand our lens*. 79, 269–280.
- Warren, K. (2018). *To compete for customers, luxury brands are borrowing a tactic banking and hospitality have been using for years*. <https://www.businessinsider.com/luxury-brands-client-relationships-new-job-titles-chief-experience-officer-2018-11>
- Wiener, L., Abraham, M., & Colgan, M. (2020). *Three Personalization Imperatives During the Crisis*. BCG.
- Willersdorf, S., Hazan, J., Ricci, G., Prénaud, A., Bianchi, F., Seara, J., & Yang, V. (2020). *A New Era and a New Look for Luxury*. BCG.
- Williams, M., & Moser, T. (2019). *The Art of Coding and Thematic Exploration in Qualitative Research*. 15(1).
- Wirtz, J., Holmqvist, J., & Fritze, M. (2020). *Luxury Services*.
- Wirtz, J., & Tsotsou, R. (2015). *Handbook of Service Business The three-stage model of service consumption*.

- Yahn, C. (2017). “*Com a Gucci, trouxemos a emoção de volta à moda*”, e mais aspás do CEO Marco Bizzarri. <https://ffw.uol.com.br/noticias/moda/com-a-gucci-trouxemos-a-emocao-de-volta-a-moda-e-mais-aspas-do-ceo-marco-bizzarri/>
- Yin, R. K. (2009). *Case study research*.
- Zargani, L. (2020). *Gucci's Epilogue Show Is Brand's Most Viewed Digital Event*. <https://wwd.com/fashion-news/designer-luxury/gucci-epilogue-show-most-viewed-digital-event-1203686957/>

Appendix

Appendix 1: Literature Review

Authors	Definition	Key dimensions	Service-related aspects
Ko <i>et al.</i> (2019)	• A luxury good or service is of high quality, offers authentic value, is prestigious, worthy of a high price, and inspires a connection in the consumer	<ul style="list-style-type: none"> • Quality • Price • Prestige • Authenticity • Connection 	• Goods focus
Holmqvist <i>et al.</i> (2020a)	• Luxury is a hedonic escapism where characteristics of traditional luxury goods such as exclusivity, aesthetics and authenticity make the experience luxurious	<ul style="list-style-type: none"> • Exclusivity • Aesthetics • Escapism • Authenticity 	• Experience focus; does not cover service specific characteristics
Kapferer and Laurent (2016)	• Luxury is rare, crafted high quality, leading to high prices	<ul style="list-style-type: none"> • Quality • Price • Rarity 	• Goods focus
Kastanakis and Balabanis (2014)	• Gaining status is the core goal of luxury consumption for interdependent consumers, while consumers with an independent self-concept focus on hedonism, utilitarianism and self-communication	<ul style="list-style-type: none"> • Status • Hedonism • Self-concept 	• Goods focus
Dion and Arnould (2011)	• Luxury can offer both status and pleasure. Luxury is not about the object but about the relationships customers have with it. No object is intrinsically luxury; luxury is materialized in the specific context	<ul style="list-style-type: none"> • Status • Pleasure • Relationship 	• Luxury goods retail focus; does not cover service specific characteristic
Han <i>et al.</i> (2010); Grossman and Shapiro (1988)	• Luxury is goods that bestow prestige on the owner regardless of utility	<ul style="list-style-type: none"> • Prestige • High price 	• Goods focus
Tynan <i>et al.</i> (2010)	• Luxury goods provide customers with sufficient value to compensate for the high price. Characteristics of luxury goods and services are quality, high price, rarity, exclusivity, prestige and authenticity that offer symbolic and hedonic values through experiences	<ul style="list-style-type: none"> • Quality • Price • Exclusivity, prestige, rarity • Authenticity • Experience 	• Value focus; refers to luxury services as complementing luxury goods; does not cover service characteristics
Kapferer and Bastien (2009)	• Luxury is a social phenomenon with a human connection, for two reasons (i) luxury goods are handmade and (ii) luxury goods are accompanied by outstanding personal service	<ul style="list-style-type: none"> • Craftsmanship • Status, exclusivity • Human connection • Heritage 	• Goods focus; recognizes that luxury goods must come with excellent service; does not cover service specific characteristics
Berthon <i>et al.</i> (2009)	• Argues that there is no delineation of luxury brands. Focuses on three aspects of luxury: the quality of luxury goods (functional), the hedonic customer experience (experiential), and the signals of prestige and exclusivity to others (symbolic)	<ul style="list-style-type: none"> • Quality • Prestige, exclusivity • Customer experience 	• Goods focus
Atwal and Williams (2009)	• Invokes traditional luxury associated with exclusivity, status and quality and democratized luxury as affordable goods with enough quality and aspiration to set it apart from other goods (borrowed from Silverstein <i>et al.</i> 2004)	<ul style="list-style-type: none"> • Quality • Exclusivity, status 	• Experience focus; does not cover service specific characteristics
Vickers and Renand (2003)	• Luxury goods are symbols of personal and social identity, and the status associated with luxury goods is an important part	<ul style="list-style-type: none"> • Status • Symbol of identity 	• Goods focus
Current study	• Luxury services are <i>extraordinary hedonic experiences</i> that are <i>exclusive</i> . Exclusivity can be <i>monetary, social</i> and <i>hedonic</i> in nature. Luxuriousness is jointly determined by <i>objective service features</i> and <i>subjective customer perceptions</i> . Together, these characteristics place a service on a <i>continuum</i> , starting from <i>everyday luxury</i> (i.e., with low levels of exclusivity and extraordinariness), to <i>luxury</i> , to <i>elite luxury</i> (i.e., with high levels of exclusivity and extraordinariness).	<ul style="list-style-type: none"> • Nonownership • Exclusivity (i.e. monetary, social and hedonic exclusivity) • Objective quality features and subjective perception • Continuum 	• Service focus; examines service specific characteristics in a luxury context

Table 3- Luxury definitions and service-related aspect (Wirtz *et al.*, 2020, p. 28,29).

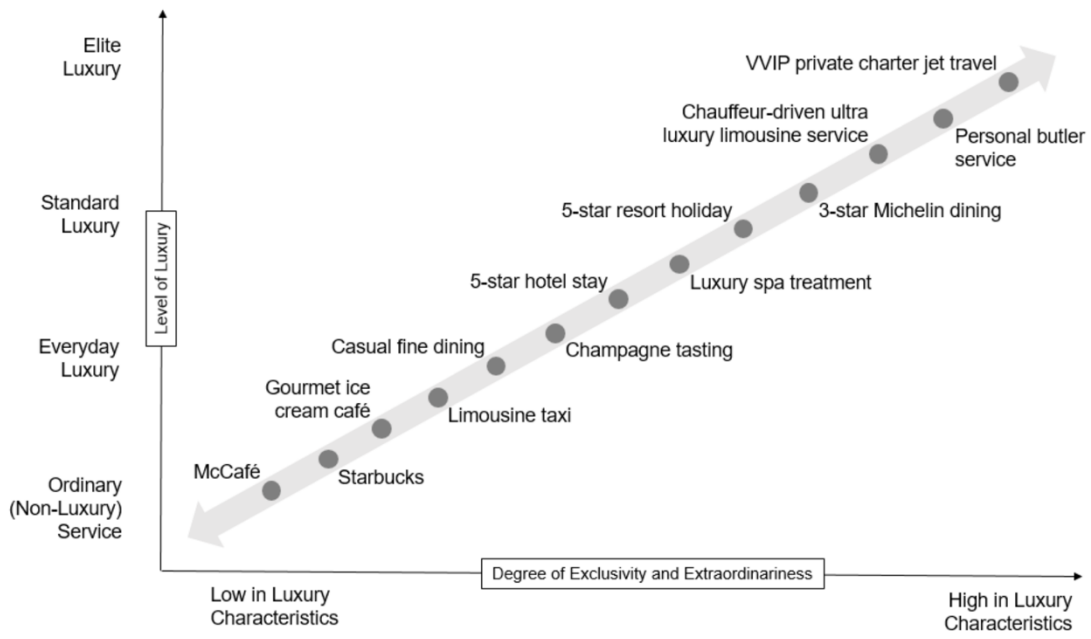


Figure 11 – Continuum of luxury services (Wirtz et al., 2020, p. 40).

Dimension	Everyday luxury service	Standard luxury service	Elite luxury service
Service characteristics			
<ul style="list-style-type: none"> • Prestige • Monetary exclusivity (absolute price point) • Social exclusivity (degree of access prevention) • Hedonic exclusivity 	<ul style="list-style-type: none"> • Low • Low; easily affordable • Not exclusive, easily accessible • Can range from low to medium • Is typically low 	<ul style="list-style-type: none"> • High • High; occasionally affordable • Somewhat exclusive • Can range from low to high • Is typically low to medium 	<ul style="list-style-type: none"> • Very high • Very high; difficult if not impossible to afford • Exclusive • Can be high to very high • Can be high to very high
Behaviors and perceptions by customer segment			
<ul style="list-style-type: none"> • Elite 	<ul style="list-style-type: none"> • Can be part of the habitual consumption sphere; unlikely to be considered luxury 	<ul style="list-style-type: none"> • Can be part of the habitual consumption sphere; might not be considered luxury 	<ul style="list-style-type: none"> • Consumption frequency tends to be high • Tend to consume luxury for its intrinsic quality • Patricians (i.e. are not interested in conspicuous consumption; prefer discreet and tasteful luxury) • Often not interested in socializing; if interested then only with the same socio-economic group • Privacy and discretion are often important (e.g. a celebrity eating out)
<ul style="list-style-type: none"> • Snobs 	<ul style="list-style-type: none"> • Often part of habitual consumption 	<ul style="list-style-type: none"> • Conspicuous consumption, offers opportunities to be seen engaging in the luxury service 	<ul style="list-style-type: none"> • Low consumption frequency, if at all • Parvenus (i.e. conspicuous consumption to signal status is important to them) • Would like to socialize with patrician in the service context.
<ul style="list-style-type: none"> • Middle-class (democratic) 	<ul style="list-style-type: none"> • I-want-the-best attitude in everyday consumption 	<ul style="list-style-type: none"> • Consumption frequency can be occasional for poseurs aspiring to status through consumptions • Part of constituting the consumer self-perception through occasional luxury services • Potentially conspicuous consumption 	<ul style="list-style-type: none"> • Aspirational; consumption frequency is rare, if at all
<ul style="list-style-type: none"> • Lower-class 	<ul style="list-style-type: none"> • Potentially occasional consumption as personal rewards 	<ul style="list-style-type: none"> • Lurkers and admirers; may still aspire to consume luxury but generally cannot afford it 	<ul style="list-style-type: none"> • Once-in-a-lifetime consumption, if ever
Examples			
<ul style="list-style-type: none"> • F&B • Car mobility services • Hotels • Air travel • Tours • Domestic services 	<ul style="list-style-type: none"> • Starbucks • Mercedes taxi/ UberBlack • Hilton • Singapore Airlines Premium Economy Class • Private guided city tour • Housecleaner 	<ul style="list-style-type: none"> • Casual Fine Dining • Chauffeur-driven limousine (e.g., high-end stretch limousine) • Four Seasons • Singapore Airlines Business Class • Round trip hospitality • Private housekeeper 	<ul style="list-style-type: none"> • 3-star Michelin dining • Chauffeur-driven ultra-luxury car service (e.g. Rolls Royce) • Raffles Hotel • Singapore Airlines Suite Class; VVIP private jet charter • Private helicopter safari • Private butler service

Table 4 – Typology of luxury services and customer segments (Wirtz et al., 2020, p. 34, 35).

Appendix 2: Methodology

Contacted companies		
Alter Design	Gucci	Outro Perfumes
Anine Bing	Hermès	Prada
Armani	Josefinas	Repetto
Boggi Milano	Loewe	Stivali
Boutique dos Relógios	Longchamp	Suarez
Dior	Loja das Meias	Tiffany & Co
Escada	Louis Vuitton	Victoria Beckham
Etro	MaxMara	Versace
Fashion Clinic	Missoni	
Google Luxe	Miu Miu	

Table 5 - Contacted companies (the author).

Digital Competitive Map Luxury 2019

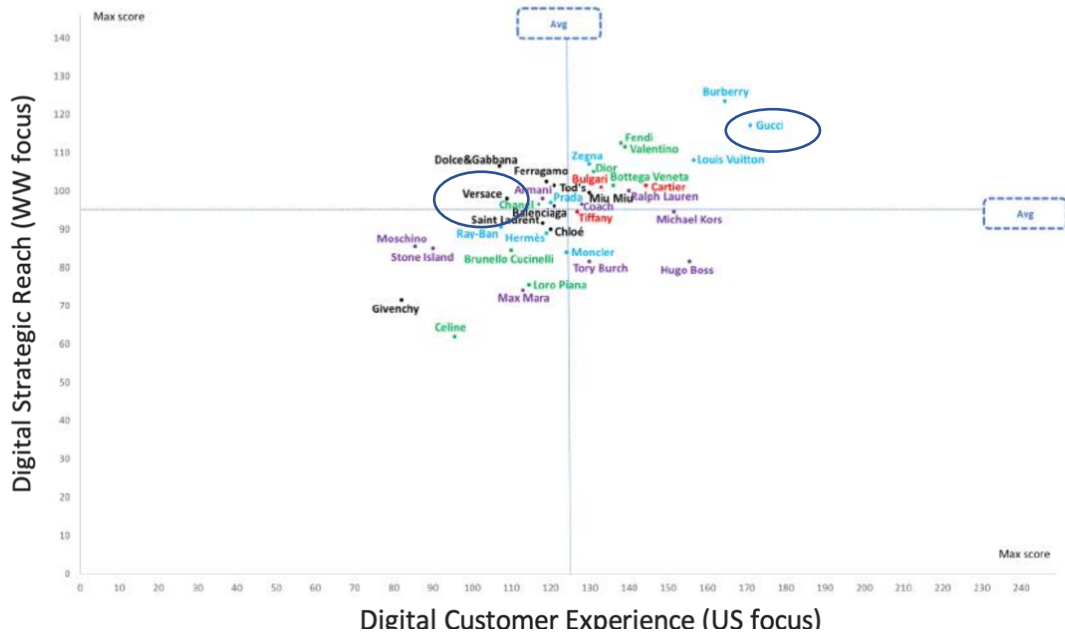


Figure 12 - Digital Competitive Map Luxury 2019 (Digital Competitive Map Luxury 2019, 2019, p. 5).

LUXURY PANEL	
Armani	Loro Piana
Balenciaga	Louis Vuitton
Bottega Veneta	Max Mara <i>New</i>
Brunello Cucinelli	Michael Kors
Bulgari	Miu Miu
Burberry	Moncler
Cartier	Moschino <i>New</i>
Celine	Prada
Chanel	Ralph Lauren
Chloé	Ray-Ban
Coach	Saint Laurent
Dior	Stone Island <i>New</i>
Dolce&Gabbana	Tiffany
Fendi	Tod's
Ferragamo	Tory Burch
Givenchy	Valentino
Gucci	Versace <i>New</i>
Hermès	Zegna
Hugo Boss	

Figure 13 - Luxury brands of the digital competitive map (Digital Competitive Map Luxury 2019, 2019, p. 2).

DCM 2019 analytical frame revised/upgraded: overall 20 Criteria and 200 Parameters



AXES	CATEGORIES	CRITERIA	FOCUS
DIGITAL STRATEGIC REACH (80 Parameters)	1. E-commerce Strategy	1. Countries with E-commerce (added HK, Luxury Pavilion CN, Isetan JP) 2. Online Product Categories Extension (added Pet Accessories)	Worldwide US
	2. "Made in" on Web	3. "Made in" on Web	US
	3. Customer Engagement Strategy	4. Web Languages 5. Email Reach 6. Social Reach (added Line JP, Kakao KR)	Worldwide Worldwide Worldwide
DIGITAL CUSTOMER EXPERIENCE (120 Parameters)	4. Website Experience & Customer Service	7. Product Presentation on Product Pages 8. Product Selection Support (added Order by Price, Size Finder Tool, Back-in-Stock) 9. Customer Service Contact Options 10. Chatbot on Facebook NEW CRITERIA 11. Style Advisory	US US US US US
	5. E-commerce Experience	12. Online Shopping Appeal and Friendliness 13. Online Payment Methods (added Gift Card) 14. Delivery Options (added Return Shipping Options)	US US US
	6. Cross-Channel Experience	15. Store Finder (added Share of Store page) 16. Cross-Channel Services 17. Digital in Store NEW CRITERIA	US US Italy
	7. Customer Engagement Experience	18. Email Proficiency 19. Share of Product Page (added Share via Link) 20. Apps	US US US

©contactlab © Copyright 2017-2020 Contactlab
This document may not be modified, organized or reutilized in any way without the express written permission of the rightful owner

Figure 14 - Axes' criterias of digital competitive map (Digital Competitive Map Luxury 2019, 2019, p. 3).

Data Source	Type of Data	Use in Analysis
Archival data	<ul style="list-style-type: none"> - Conferences - Videos - News - Articles - Interviews 	<ul style="list-style-type: none"> - Familiarize the context information; - "Triangulate" the information of primary data interviews; - Investigate the digitalization processes; - Investigate the employees' roles.
Interviews	<ul style="list-style-type: none"> - Semi structured interviews - Structured interviews - Informal conversations 	<ul style="list-style-type: none"> - Familiarize the context information; - The employees' roles; - Investigate the digitalization processes and the influence in the employees' roles.

Table 5 - Data sources (the author based on Corley G. & Gioia A. (2004)).

Interview Guideline: (Versace example)

Background Information	<ul style="list-style-type: none"> - Function - Nationality
Introduction of the company	<ul style="list-style-type: none"> - What is Versace brand identity? - How do you think that shopping online, at Versace contrasts from in store shopping? - How Versace presence on digital changed in the last years? - How Versace is innovating in its online channels? - How Versace is innovating in digital in its stores?
Stimulation (if applied)	<ul style="list-style-type: none"> - How do you feel when you sell a Versace item? - How do you describe the relation that you have with clients?
Probing	<ul style="list-style-type: none"> - How can Versace promote online a one-to-one experience? - Can you give me examples of digital innovations inside the stores? - What are the roles of frontline employees at Versace? - Which digital tools frontline employees use in their work? - How frontline employees at Versace attract new consumers? - How do you leverage different segments of consumers, inside the Versace store? How frontline employees interact with them? - How digital (online and offline) is enhancing this relationship at Versace? - How do sales assistants create a personalized experience for each consumer? - How can frontline employees, at Versace, use the online channels to interact with customers? - How frontline employees interact with back office? In what occasions? - What is the role of the store for Versace? - What are the elements inside a Versace store that help frontline employees to promote escapism and storytelling? - How COVID pandemic affected this relationship (employee-client) at Versace? - Can you give me specific examples of how Versace CRM helped this frontline employee-customer relation?
Opinion	<ul style="list-style-type: none"> - What might be a perfect relationship between employee and client at Versace? - What might be a perfect integration between luxury and digital at Versace?

Additional thoughts	<ul style="list-style-type: none">- Would you like to add something about the role of Versace luxury sales assistants?- Would you like to add something about the role of digital at Versace?
---------------------	--

Table 6 -Interview guideline example (the author).

	Company	Name	Job title/ role	Date of Interview	Tools	Duration	Themes
1	---	José	E-commerce specialist	29/09/2020	Via email (written)	Not applicable	WeChat and Tmall in luxury brands
2	Anonymous luxury brand	Johan	Head of CRM Germany	1/11/2020	Online (Google Hangouts)	33 min	Employees' roles in this luxury brand
3	Boggi Milano	Martim	Sales assistant Lisboa	24/10/2020	Presential (recorded)	10 min	Employees' roles, digitalization, luxury experience at Boggi Milano
4	Boutique dos Relógios	Teresa	Anonymous	21/10/2020	Via call (recorded)	24 min	Employees' roles, digitalization, luxury experience at Boutique dos Relógios
5	Escada	Maria	Sales assistant	28/10/2020	Presential (recorded)	10 min	Employees' roles, digitalization, luxury experience at Escada
6	Gucci	Caterina	Client Services Italia	29/10/2020	written	Not applicable	Employees' roles, digitalization, luxury experience, CRM
7		Giuseppe	Change Management specialist Italia	1/11/2020	written	Not applicable	Employees' roles, digitalization, luxury experience, change management in sales assistants at Gucci

8		António	Sales assistant Lisboa	24/10/2020	Presential (recorded)	26 min	Employees' roles, digitalization, luxury experience at Gucci
9		Camille	Store Manager Paris	8/10/2020	Presential (recorded)	2h	Brand identity, store management, sales assistants' management, sales assistants' roles, digital inside the store, luxury experience, the services inside the store
10		Carmo	Sales assistant	11/11/2020	Presential (recorded)	15 min	CRM, Clienteling app
11	Josefinas	Carolina	Marketing Josefinas	29/09/2020 19/10/2020	Via email (written)	Not applicable	Client experience, pop up stores, employees' roles, CRM
12		Pedro	Board Member	2/11/2020	Via email (written)	Not applicable	Only gave me the contacts of 2 people who work in Josefinas
13		Joana	Retail Manager	23/11/2020	Via email (written)	Not applicable	CRM, Clienteling at Josefinas
14	Loewe	Luísa	Sales assistant Loewe	27/10/2020	Presential (recorded)	30 min	Employees' roles, digitalization, luxury experience
15	Loja das Meias	Ana	Sales assistant	27/10/2020	Presential (recorded)	1h	Employees' roles, digitalization, luxury experience at Loja das Meias
16		Inês	Sales assistant	27/10/2020	Presential (recorded)	30 min	Employees' roles, digitalization, luxury experience at Loja das Meias
17		Joana	Store Manager	5/11/2020	Presential (recorded)	15 min	Employees' roles at Loja das Meias

18		Maria	Sales assistant	5/11/2020	Presential (recorded)	20 min	Luxury experience, digital, CRM, Clienteling at Loja das Meias
19	Longchamp	Leonor	Sales assistant	28/10/2020	Presential (recorded)	10 min	Luxury experience, Pokémon collection and digital
20	Louis Vuitton	Diogo	CRM	18/10/2020	Via call (recorded)	43 min	CRM, luxury experience, digital
21	Otro Perfumes	André	Sales assistant	24/10/2020	Presential (recorded)	30 min	Employees' roles, digital, clienteling at Otro Perfumes
22	Versace	Manuel	Store manager Versace Lisbon	28/10/2020	Presential (recorded)	45 min	Brand identity, store management, sales assistants' management, sales assistants' roles, digital inside the store, luxury experience
23		Rodrigo	Sales assistant Versace	6/11/2020	Presential (recorded)	42 min	Employees' roles and digital
24		Gabriele	Store manager Versace Italia	9/11/2020	Via call (recorded)	1h	CRM, Clienteling

Table 7 – Interviews' table (the author).

Case	Type of Source	Title and type of source	Date published	Publication	Author
Gucci	Article	Gucci Plants Its Flag in Soho	May 15, 2018	Business of Fashion	Baskin, Brian
	Insight article	How to communicate your brand to Millennials: the Gucci case	June 13, 2017	Julius Bar	Not available
	Newspaper article	#DF19: Technology blended with human touch is key for Gucci	November 20, 2019	Essential Retail	Baldwin, Caroline
	News	Gucci employs new AI tool to boost sales	June 10, 2019	Digital Commerce 360	Not available
	Report	Kering 2019	2019	Kering	Not available
	Case	The Role of Digital in the Luxury Industry in China: Gucci Case study	September 11, 2017	E Commerce China Agency	Not available

Newspaper article	Gucci chief executive Marco Bizzarri credited for remodeling the Italian fashion brand	March 9, 2017	The Straits Time	Varma, Ankita
Newspaper article	What Gucci Learned from Dapper Dan and Its Blackface Crisis	October 2, 2019	Business of Fashion	Sherman, Lauren
Newspaper article	What Chinese Online Platform Is Right for Your Luxury Brand?	October 14, 2020	Jing Daily	Ma, Arnold
Newspaper article	"Com a Gucci, trouxemos a emoção de volta à moda", e mais aspas do CEO Marco Bizzarri	October 14, 2017	FFW: Fashion Forward	Yahn, Camila
News	How new technology is changing the game for the luxury customer	January 16, 2020	ClickZ	Paz, Hadar
Article	Urgency for luxury brands to adopt mobile clienteling	Not available	Retail dive	Nix, Kevin
Article	Even Gucci's client service centers get the Alessandro Michele touch	November 18, 2019	Fashionista	Mccall, Tyler

Newspaper Article	How Gucci And Chanel Are Evolving Through Tech-Powered Personalized Experiences	June 4, 2019	Forbes	Danziger N., Pamela
Article	Gucci Replicates It's Personalised In-Store Service Experience With an All-New Video Shopping Feature	June 5, 2020	Luxuo	Roxan, Julia
Newspaper article	They See You When You're Shopping	November 26, 2019	The New York Times	Bromwich Engel, Jonah Testa, Jessica
News	Livestream Shopping, Social Selling Help Evolve Retail Industry	October 21, 2020	WWD	Turra, Alessandra
Article	Gucci's New Call Centers Might Be the Most Luxurious Thing About the Brand	November 14, 2019	Robb Report	Lerma, Martin
Newspaper article	Gucci e gli altri: lo shopping è in modalità digitale assistita	June 6, 2020	La Conceria	Not available

Article	5 Lessons to Learn from Gucci's Immersive Retail Experience	Not available	Ex Squared	Carolan, Lisa
News	Gucci has a bold new store in SoHo, New York	May 23, 2018	AD	Not available
Article	You can now personalize your favorite Gucci sneakers & bags	May 10, 2018	Hypebae	Ozembhoya, Esiwahomi
Article	Gucci launches a personalisation service	May 26, 2016	Harper's Bazaar	Klerk de, Amy
Article	Fashion 4.0: come l'innovazione sta trasformando il mercato della moda	February 19, 2020	Industry 4 business	Carbone, Marina
Article	Get Your Holiday Shopping Done At Gucci's Immersive New Pop-Up	November 6, 2019	CR Fashion Book	Kelly, Alyssa
Article	Gucci Rolls Out New Pop-Up Concept	November 5, 2019	Business of Fashion	Fernandez, Chantal
Article	GUCCI GG Psychedelic Gucci Pin	Not available	Selfridges	Not available
Magazine Article	"GUCCI PIN" Pop Up Store - Luxury Retail	Not available	Luxury retail	Not available

Article	Questo non è un semplice temporary store. È un Gucci Pin	November 6, 2019	Amica	Campagna, Manuel
Article	Gucci Partners with Snapchat for AR Try-On	July 15, 2020	Stylus	Not available
Article	Gucci Hallucination Campaign Introduces A New Digital Experience and Raids Windows	May 3, 2018	Windows wear	Not available
Article	Digital transformation in retail of luxury brands: A case study of Gucci	June 21, 2020	Quanlys	Not available
Article	To compete for customers, luxury brands are borrowing a tactic banking and hospitality have been using for years	November 24, 2018	Business Insiders	Warren, Katie
Article	Arriva Gucci Sneaker Garage, la piattaforma con le prime sneaker virtuali	November 3, 2020	Fashion Magazine	Not available
Video	The Disruptors: Gucci's Marco Bizzarri and Farfetch's José Neves	February 21, 2017	Business of Fashion	Not available

	News	Gucci's First Live-streamed Show on Weibo Draws 16 Million Viewers	September 26, 2019	WWD	Zargani, Luisa
	Presentation/ Document:	Client experience, CRM Data		Kering	Not available
	Article	Brands are watching Digital Activity as customers shop online	November 26, 2019	Business of Fashion	Not available
Josefinas	Podcast	À conversa com Maria Cunha, CEO das Josefinas	October 17, 2019	Anita Podcast	Ramos, Ana Isabel
	Website new	Evento Pop up Porto	Not available	Josefinas website	Not available
	Newspaper article	Josefinas: «As nossas clientes não são números»	June 29, 2020	Marketeer	Not available
	News	Josefinas lança aplicação iMessage	December 6, 2016	Marketeer	Not available
	Interview	Maria Cunha: "Já estive com uma pessoa que me dizia que sem ela não ia ser ninguém"	August 22, 2019	Timeout	Morais Pinheiro, Mariana

	Newspaper article	Maria Cunha: “Temos de fazer contratos acerca de tudo”	October 22, 2018	Executiva	Canha, Isabel Serina, Maria
	Interview	Inside The First U.S. Josefina Store	July 22, 2016	Footwear news	Henning, Kristen
	Interview video	O segredo do sucesso das Josefina	September 20, 2019	Observador	Not available
	Article	Josefina: Sabrinhas de Braga atravessam o Pacífico	November 7, 2018	Jornal de Negócios	Not available
Loja das Meias	Interview	‘Trabalho Todos os dias porque gosto’	Not available	Stratosphere	Not available
	Interview	Entrevista a Pedro António Costa	Not available	Diplomatic & Business Magazine	Costa Sales, Victor
	Newspaper article	Tecnologia na Loja das Meias? Conheça o novo conceito da marca	April 2, 2014	Dinheiro Vivo	Guerra, Ana Rita
	Newspaper article	Loja das Meias renova a sua identidade	April 2, 2014	Público	Fonseca, Joana
Versace	Video	VERSACE Employee Experience	March 13, 2020	Versace	Not available

Newspaper article	Burberry, Gucci, Dior, Bulgari e Moncler sono i campioni del lusso digitale del 2019	October 2, 2019	Il sole	Not available
Article	Get Ready for an Enhanced Shopping Experience at Versace Fine Jewellery's New Boutiques in Saudi Arabia	Not available	About her	Not available
News	Versace opens a new luxury boutique in Tokyo	December 2, 2015	Brabbu	Not available
News	Versace opens new store in Amsterdam, The Netherlands	July 25, 2020	CPP Luxury	Not available
Article	Versace launches its own emoji app	February 9, 2016	Harpers Bazaar	Klerk de, Amy
Article	Omnichannel Meets Luxury: Q&A with Keep.com CEO Stacie Henderson	April 5, 2018	Sailthru	O' Brien, Mike
Article	Para Donatella Versace, sustentabilidade e luxo andam de mãos dadas	November 18, 2018	Revista L'Officiel	Not available

	Article	Reimagining Luxury Shopping During COVID-19	August 17, 2020	The Zoe Report	Cooper Faye, Leah
	News	Versace Goes Digital At Milan Fashion Week	September 17, 2020	WWD	Turra, Alessandra
	News	C'è una lezione sul digitale che Versace ha appreso dal lockdown	April 24, 2020	La Conceria	Not available
	News	Donatella Versace e Marco Bizzarri spiegano il futuro della moda	March 30, 2020	La Conceria	Not available

Table 8 - Secondary data (the author).

Appendix 3: Findings

Codes	Category	Examples of participants' quotes
<ul style="list-style-type: none"> - Sales assistants - Customer service 	<p>Frontline employees' types</p>	<p>“They (client advisor) represent all the brand principles. A client advisor has to transmit our values” (Interview of Giuseppe, Change Management, Gucci)</p> <p>“They have a host role.” (Interview of Camille, Store Manager, Gucci)</p>
<ul style="list-style-type: none"> - Enabler - Innovator - Coordinator - Differentiator - Personal shopper - Educator - Clienteling 	<p>Employees' roles</p>	<p><u>“The relationship with clients needs to be real.</u> I always try to give the real part of me, because I think that they feel when you are talking with them in an honest way or if you're fake. I try to create a bond with each client, and it is very important to me give them the impression that they are unique for me.” (Interview of Caterina, Client Services, Gucci)</p> <p>“One customer initially is all the same, each customer who enters the store has to have exactly the same treatment. In other words, the same standards, the same service procedure, all the same. Eventually, since we are already open for 4 years, we already have our top customers. They are differentiated by the amount spent as by the periodicity that</p>

		<p>comes to the store, if it comes 1 x per year or 1x per week. In other words, we have several metrics.” (Interview of Gabriele, Store Manager Italia, Versace)</p> <p>“The client trusts us a lot, our opinion is very valid.” ((Interview of Ana, Sales Assistant, Loja das Meias)</p> <p>“When we have that relationship with the customer, through WhatsApp, the email we can try to comprehend send photos of the model, the colors that the customer wants.” (Interview of Rodrigo, Sales Assistant, Versace)</p> <p>“If you use properly the information of CRM, you can reach your customer easily. Customer goes back to the store because he loves the brand, but also because of the relationship he made.” (Interview of Gabriele, Store Manager Italy, Versace)</p>
<ul style="list-style-type: none"> - Substitution - Augmentation - Network Facilitator 	<p>Digital roles</p>	<p>“For us the digital is an extra is a way to make our life easier. But it's not the way we interact with the client, because that's not what will create the bond and to keep the bond permanent is to make the human side. For example, each vendor has a QR code in which the customer can scan and stay with the contact directly</p>

from the vendor in their contacts, which makes it much easier, facilitating the interaction with the customer.” (Interview of Camille, Store Manager, Gucci)

“The seller always has to follow the client, so the iPad we have is to show the existing colors and that. The idea is to be the salesman to show and say: "You have here this iPad. Feel free to explore and to see".” (Interview of António, Sales Assistant, Gucci)

“Our markers are at Farfetch. What happens is that when a customer is in China and wants a piece we are alerted to this situation and if we are the first store that accepts the order and if we have the piece available, we send it.” (Interview of Inês, Sales Assistant, Loja das Meias)

“The communication with our customers has to be effective, it can be done through a phone call depending on the relationship and trust with the customer, it can be through a WhatsApp message or through Templates that we have in our app and when we want to direct more to a certain product or we analyze the customer profile and depending on the customer profile what you

		<p>normally like, what you normally buy we can send you information only about bags, only about shoes, new releases, any kind of article.” (Interview of Manuel, Store Manager Portugal, Versace)</p> <p>“CRM is a digital way to take care of our clients in a way more modern. Everything can start of an idea of a client book (a book that was very used in the past before the CRM system. This was used to keep the relationship with customers. CRM is just an evolution of the client book (name, address, phone number, and add few information that you can use to remember the customer such as the age, the job, the product that was looking for, the color that he/ prefer.” (Interview of Gabriele, Store Manager Italy, Versace)</p>
<ul style="list-style-type: none"> - Emotion - Personalization 	<p>Store Importance</p>	<p>“The experience is the key to discover the whole brand universe and the assistant is part of the package” (Interview of Carmo, Sales Assistant, Gucci)</p> <p>“The objective of the store is to create a fidelization and make sure the client come back and create a link with them” (Interview of António, Sales Assistant, Gucci)</p>

		<p>“The store is where everything started, the retail is always fundamental for a luxury brand, because you will always have clients that prefer to explore and try the product in the store.” (Interview of Caterina, Client Advisor, Gucci)</p> <p>"Through the experience of the store in New York we were able to establish close relationships, some even of friendship, with clients and fans of Josefinas.” (Interview of Carolina, Marketing, Josefinas)</p> <p>"We serve water, champagne, coffee, we try to make the customer feel the most comfortable here.” (Interview of Manuel, Store Manager Portugal, Versace)</p> <p>“The more you personalize, the easiest to have what you are looking for.” (Interview of Gabriele, Store Manager Italy, Versace)</p>
<ul style="list-style-type: none"> - Aesthetics - Entertainment - Education - Escapism 	<p>Experiential zones</p>	<p>"There are many pieces that allow us to do storytelling: all of them! We can tell the story of how the piece came about, how it is designed, why it has made such a large collection, explain the colors (...).” (Interview of Carmo, Sales Assistant, Gucci)</p>

		<p>“This is the easiest thing, all our products, especially now with Alessandro Michele, tell something. He says that he thinks up walking in Rome and looking around himself (nature, history, monuments); so how can we not promote all these masterpieces?” (Interview of Carmo, Sales Assistant, Gucci)</p> <p>“In Dior part of the boutique, we offer an armchair and Dior books, to promote the escapism” (Interview of Inês, Sales Assistant, Loja das Meias)</p>
--	--	--

Table 9 - Coding template and examples of participants' quotes (the author based on Duberley et al. (2017)).

Employees' roles							
	Enabler	Innovator	Coordinator	Differentiator	Personal Shopper	Educator	Clienteling
Gucci	-Digital in-store	---	-Gucci 9 (video, call) -Clienteling department -Stock software - CRM	-WhatsApp, WeChat	-WhatsApp	-Digital training	-Clienteling app -WhatsApp, WeChat
Versace	----	---	-Stock software			-Digital training	-Clienteling app -WhatsApp, WeChat
Loja Das Meias	----	-CRM	-Stock software			---	-WhatsApp
Josefinas	-Always happens (it is an online store)	---	-Client service -Stock software -CRM	-WhatsApp		---	-WhatsApp

Table 10- The influence of digital over employees' roles (the author).