Behind The Scenes of K-Pop and the Luxury Industry: A Cross-Cultural Dynamic Topic Modeling Approach

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Introduction

In recent years, luxury brands have shown immense change in terms of audience and marketing methods (Ko et al., 2019). K-pop group members being appointed as luxury brand ambassadors has risen as one of the most prominent phenomenon, supported by all four members of the K-pop group 'Blackpink' being ranked top key opinion leaders of 2022 based on earned media value (EMV) (Lefty, 2022). As the fashion industry is acknowledging K-pop group members as effective brand endorsers for a global audience to create social media engagement, this study aimed to take a qualitative approach to examine the cross-cultural differences in user-generated social media text published in global and South Korean media.

Literature Review

While conventional luxury brands relied on a level of reverence and were associated with social status and exclusivity (Dion et al., 2011), luxury brands have adopted to nascent marketing trends. Unconventional methods such as pop-up stores to heighten brand experience and ultimately create positive word-of-mouth (Klein et al., 2022) aim to leverage brands' future audience. Celebrity endorsers have also been actively adopted for impactful fashion marketing strategies, and have been discussed with source attractiveness and meaning transfer (Erdogan, 1999). Recent studies have examined the effect of celebrity endorsement among various age groups (Chan & Fan, 2022), while some argue that lack of brand-endorser congruence brings negative outcomes (Abhishek et al., 2015). As Abhishek et al. (2015) discussed that endorser-self or endorser-brand congruence positively influence purchase intention, we hypothesized that after K-pop group members were appointed as brand ambassadors and grew awareness, the expression of brand-endorser-self congruence and fan-endorser parasocial relationship would grow in probability.

Social media is a powerful tool with for brands to spread e-WOM and enhance their marketing efficacy (Arrigo, 2018). Likewise, EMV has been used in the fashion marketing industry as an indicator of an individual's marketing power as their presence causes social media users to spread e-WOM without additional expenses (Khan, 2022). Though it cannot be determined whether the user who generated content on a celebrity endorser purchased from that brand, the overall effect of marketing attention has been shown to have positive effects on brand recognition (Park et al., 2021).

Method and Results

To select brands and keywords for data collection, online articles were gathered and prescreened to identify brands that had recently appointed K-pop stars as brand ambassadors from Google News. For the final data collection, Twitter social media text data for selected brands and K-Pop brand ambassadors were collected, with language settings for each condition as EN and KR, in three data time slices ranging from 2017 to 2022, each time slice consisting of a period of two years. After preprocessing the gathered data, Dynamic Topic Modeling (DTM) was used to investigate how the topics and main keywords evolved over the three time periods (Blei and Lafferty, 2006).

Both datasets showed an optimal number of five topics ("Attractiveness", "Fandom", "Events", "Fashion/Outfits", "Performance/K-pop"), based on coherence scores. The topic "attractiveness" consisted of the highest percentage of tokens in both data groups. Shared keywords for the main topic "attractiveness" were 'beauty', 'chic', 'color', and 'skin'. The main topic "fandom" included keywords 'magazine', 'video', 'react', 'retweet' in both data groups. Within the topic, the keyword 'retweet' showed the highest probability in the 2019-2020 time period of global data, but was lowest in the period that followed (0.012). In Korean data, the keyword "human" was identified prior to the appointment of brand ambassador, used in the context of 'human' and luxury brand name to emphasize brand-endorser congruency. Likewise, the probability for the term was highest in the 2019-2020 time period, but the lowest in the time period that followed. For the topic "events", shared keywords were 'show', 'house', 'campaign', and 'news'. For the "fashion/outfits" topic, main keywords were 'look', 'knit', 'makeup', and 'launch'. For the topic "performance/K-pop", the shared main keywords were 'members', 'celebrity', 'award', and 'stage'.

Discussion and Implications

This research employed a qualitative method to examine whether theoretical backgrounds on celebrity endorsement applied to the current phenomenon of K-POP group members as luxury brand celebrity endorsers, by analyzing sequential evolution of social media text content. As the South Korean K-POP industry has gained awareness over recent years, we conducted a cross-cultural study to examine the differences in global and Korean social media data. The overall influence of "attractiveness" was aligned with the conventional theory of source attractiveness heightening positive effects of celebrity endorsement. Notably, at the point of brand ambassador appointment, keywords in the main topic "fandom" were highest in probability. It was observed that fans of brand endorsers created social media content, having noticed that their e-WOM creating activity influenced the evaluation of celebrity endorsers' EMV. This tendency emerged earlier in Korea data and later in global data. However it decreased as K-Pop brand ambassadors grew in number and awareness in both data groups. This research contributes to the preexisting research on celebrity endorsement by integrating recent social media data. It also holds managerial implications, as results showed keywords that signaled fandom involvement were prominent in social media content.

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