

MARKETING

Will Olympic standouts land luxury endorsements to remain in consumers' consciousness?

August 19, 2016



Opening ceremony uniforms created for the U.S. Olympic team by Ralph Lauren

By JEN KING

As the summer Olympic Games in Rio de Janeiro come to a close Aug. 21, it is likely that many of the event's most decorated athletes are in talks with brands for endorsement contracts.

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In the months leading up to the Olympics this year, Brazil was faced with tremendous challenges such as a shoddy infrastructure, contaminated waterways and fears of contracting Zika virus, among other concerns. Despite the stresses leading up to the games, athlete after athlete broke world-records, brought home their country's first gold medal and showed Olympic values and sportsmanship in numerous ways, all factors that have likely caused brands to notice right alongside awed international spectators.

"Young Olympians are loved for their youthful exuberance and seemingly endless potential," said **Ben Hordell**, founding partner of **DXagency**.

"By teaming with a young Olympian you not only get to associate yourself with national pride and invest in a young career, but you also get in on the ground floor of a career that could lead to super stardom," he said.

Game on

The achievements of the summer Games' athletes are no doubt going to lead to endorsement deals from sporting goods brands, but luxury as well can tap into the success stories of the Olympics to mine for a new ambassador, already cemented in consumer consciousness.

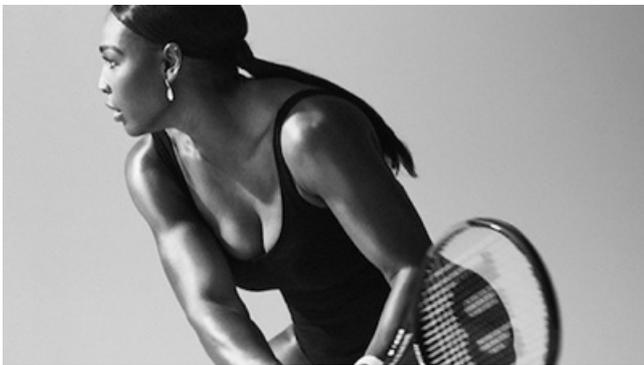
For many participating athletes in the Olympics, they only become household names for a limited time frame, especially if their sport is not typically televised on the level of professional basketball or tennis. Public awareness can be extended for a much longer time frame through an endorsement deal.



Christian Louboutin dressed the Cuban Olympic team

"For many Olympians, their moment is directly tied to the airtime they are given for their event and the subsequent media coverage of those events," he said. "By linking up with a sponsor they can stay in the public eye longer by being featured in a brand's marketing materials long after the games have concluded."

Commonly, athletes are deemed celebrities as their careers and achievements raise their public profiles. For example, Swiss watchmaker Audemars Piguet supported Serena Williams as she vied for her seventh win at Wimbledon.



Serena Williams for Audemars Piguet

The 34-year-old top-ranked female tennis player in the world won the final match of the tournament, achieving 22 grand slam titles, a feat that tied the existing record. Showcasing her athletic prowess, the brand filmed an inspirational short that shows how Ms. Williams has broken the rules ([see story](#)).

Although her run during the 2016 Olympics was unsuccessful, Ms. Williams is a household name due to her incredible sportsmanship and a long list of achievements in her sport, including her collection of Olympic medals won for Team USA.

"There is definitely opportunity to feature more female athletes and when you see it done well it certainly stands out," Mr. Hordell said. "Look no further than Under Armour's recent work with [ballerina] Misty Copeland."

By branching out of the expected endorsement circuit of Under Armour and Nike, for example, this year's crop of Olympians can maintain in the spotlight. Most commonly, sports and brand marketing is reserved for watchmakers, menswear labels and automakers, often signing athletes who represent their DNA.

Watchmaker Tag Heuer for instance commonly selects top athletes as its ambassadors to showcase its "Don't Crack Under Pressure" mantra. As for those who have participated at Olympic level, including tennis player Maria Sharapova, hockey goaltender Henrik Lundqvist and others ([see story](#)).



Maria Sharapova cutting the ribbon at the Melbourne, Australia store in 2011

"Make no mistake, sports stars are celebrities," Mr. Hordell said. "However, when dealing with Olympians, national pride is universal and something everyone can relate to regardless in having actual interest in the sport they play.

"Some more traditional celebrities often come off as paid actors with tangential relationships to the brand whereas the sports stars can integrate more with the brand such as Gatorade, Nike, etc.," he said.

Go team

Since the status and positioning of a luxury brand is very different than an athletics brand such as Adidas or Kering-owned Puma, marketers from the former industry must be even more selective.

Team USA swimmer Lilly King, a 19-year-old from Indiana who won two gold medals while competing at the Games, is likely attractive to mass brands skewing toward athleisure for example, but may be outputting to the identity-obsessed luxury brands.

"Lilly King stands out for being not only an Olympic champion, but also being a bit controversial in her dealings with Yulia Efimova and alluding to the Russian doping scandal," Mr. Hordell said.

"I would argue that this situation makes Lilly less desirable for a luxury brand because she becomes less safe,' as you will never know what she is going to say or do," he said.

Christian Dior, Tag Heuer and Lancme have all recently found themselves involved with celebrities that have been in the news for reasons other than the products they endorse.

When working with a celebrity there are inherent risks, as the ambassador is invited into the brand's inner workings and serves as a real-life representation of the company's positioning.

Despite being the face of a brand, celebrity ambassadors also have personal lives, careers and opinions that may occasionally outshine or undermine the message the brand is hoping to portray via its selected spokesmodels.

In March, professional tennis player Maria Sharapova announced that she had tested positive for banned substance meldonium, a legally prescribed heart medication that has been tied to increasing endurance levels.

At the time of her announcement, Ms. Sharapova was an ambassador for LVMH-owned watchmaker Tag Heuer, German automaker Porsche and athletic brand Nike. All three brand severed ties with the Russian tennis pro within 24-hours of her announcement.

Regarding its relationship with Ms. Sharapova, Tag Heuer released an official statement saying, "Maria Sharapova was under contract with Tag Heuer until December 31, 2015. We had been in talks to extend our collaboration. In view of the current situation, the Swiss watch brand has suspended negotiations" ([see story](#)).

"There is a lot to consider when forging endorsement deals and what an athlete does or says is key," Mr. Hordell said.

"If an athlete has a questionable past or a history of controversy that is a major risk when selecting someone to represent your brand," he said.