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MARKETING

Are virtual influencers an effective luxury marketing tool?

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Moncler tapped Lil Miquela for its Genius effort. Image credit: Moncler

By SARAH JONES

Luxury labels have been embracing a different type of influencer, partnering with personalities that only exist in the virtual world.



Moncler and Prada are among the brands that have worked with Lil Miquela, a computer generated Instagram star with an audience of more than 600,000, to debut products or build hype around an event. Even with their influence, for a business that prides itself on authenticity, is partnering with virtual faces the right approach?

"I think the idea stems from the concept that today luxury is about personalization, and I feel like the general concept of this artificially engineered influencer is almost a touch on the consumer expectation of luxury being so personal and so niche and you can build that experience that feels so relevant," said Alison Levy, chief marketing officer at Launchmetrics, London.

"What the audience is for these kind of virtual influencers is much more tech and innovation, and I think that is very interesting for luxury, but then the flip side is...when you look at social mapping, [the people that are actually interested in tech and innovation are] really more of the gaming industry," she said. "So it's not exactly the profile of what the fashion influencer is driving.

"That said, at Launchmetrics when we work with brands to help them connect with influencers and find the right people to work for on their campaign, every influencer sells a different goal or helps provide the brand reach a different type of audience. And sometimes the objective is to engage further with the audience they already know and sometimes it's to garner a new audience. So I think there could be something here. I think it's maybe too early to say is this is going to work."

Computer-generated spokes models

As technology has improved, computer-generated models have become more lifelike.

A prime example is Lil Miquela, a fictional teen supposedly living in Los Angeles with a penchant for art, music and fashion. Her cherubic face sits almost in the uncanny valley as she appears human while being slightly off.

Many comments on her Instagram reveal a sense of confusion among consumers, with some questioning if she is actually real. Despite her virtual state, the combination of her personality and her photos has drawn a significant following on social media.

Since the account launched in 2016, Miquela's origins have remained a mystery, with many trying to deduce who created the character.

In addition to fans, Miquela has caught the attention of luxury labels.

For the reveal of its Genius concept, Moncler tapped Miquela as one of its influencers. In a photo shared to both Moncler and Miquela's accounts, the virtual model wears one of the brand's parkas and a hoodie.

Make	up artist Pat McGrath pio	cked Miquela as one	e of her muses, m	odeling her cosm	etics on the virtua	l personality

@Prada and I are taking over your phones and the streets of Milan for the upcoming fashion show. stick around... #PradaFW18 #MFW

A post shared by *~ MIQUELA ~* (@lilmiquela) on Feb 21, 2018 at 7:08am PST

Miquela also teamed up with Prada to help it launch a GIF sticker pack on Instagram. The influencer was the first to use the animations in a post, telling her followers how to use the exclusive designs themselves.

Tied to Prada's fall/winter 2018 runway show, the stickers included nods to the collection as well as archival references.

Even with this push, when Launchmetrics studied the media coverage of Prada's show, mentions of the Lil Miquela partnership made up less than 10 percent of total placements.

"I think people are expecting a really high return because it's something really new and innovative and it seems really cool because you've read about it a few times and that newness makes it feel like it's going to be huge, but then when we looked at pure coverage numbers it was such a low portion," Ms. Levy said. "Even though everyone's talking about it and it was so buzzy, it's still either on the rise or it hasn't even penetrated."

While still a fairly novel concept in other nations, in Japan, the concept of virtual celebrities has entered the mainstream. Pop star Hatsune Miku has developed a devoted following and performs for crowds as a hologram, belting out her hits.

The virtual Ms. Miku has also found fans in the fashion world, as she "met" with Givenchy's then creative director Riccardo Tisci in 2016 for a couture dress fitting that was featured in Vogue.

Beyond social media, imagined personalities have also had starring roles in luxury advertising campaigns.

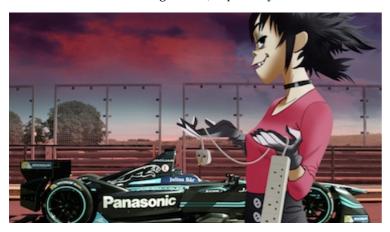
Louis Vuitton cast a video game character in its spring/summer 2016 ads.

Louis Vuitton Presents Series 4: Lightning: A Virtual Heroine by Square Enix

The brand teamed up with Final Fantasy creator and developer Square Enix to bring the role playing game's heroine Lightning to life in the advertisements. While unexpected, this creative choice may have helped Louis Vuitton's effort be noticed by both fashionistas and those in the gaming community (see story).

Similarly, Jaguar, a lead investor in automotive R&D and manufacturing, has teamed with Noodle, the fictional Japanese guitarist and founding member of the Gorillaz, a virtual band from Britain.

In her role as a global Jaguar ambassador, Noodle helps the automaker drive awareness for opportunities within the automotive manufacturing sector, especially as electric vehicles become more popular among drivers (see story).



Noodle for Jaguar Formula E racing. Image credit: Jaguar Land Rover

"It's projected that total spending on AR/VR products and services is expected to soar from \$11 billion in 2017 to over \$200 billion 2021," said Daymon Bruck, CCO and partner at The O Group, Seattle. "That kind of massive growth makes it very possible that virtual reality will increasingly play a central role for brand marketing, especially for those that get in front of the medium quickly and start connecting with digital native audiences and partners.

"Virtual realities - and the characters that 'live' in them - present wide open opportunities for extending and showcasing brand experiences, acting as a fresh path to the real world of luxury services and products," he said. "Why limit your brand reach to just one universe when virtual worlds offer endless possibilities?

"As long as a potential virtual influencer or virtual ambassador has strong conceptual or ideological alignment to a brand, the rules are no different then for a human influencer: a good match can produce fantastic results and open up new audiences and fans."

Authenticity question

Luxury prides itself on authenticity and reality, but the boundaries are increasingly being blurred thanks to digital media.

Even though influencer marketing is often about presenting an aspirational lifestyle, consumers still look to these individuals for their perspective.

Many luxury brands have adopted influencer marketing strategies, but it is not always easy to connect partnerships with personalities into conversions. A report from Olapic proves the commercial potential of these content collaborations, showing that 31 percent of consumers have bought a product or service because an influencer posted about it.

Forty-three percent of consumers place the most importance on authenticity when deciding whether to trust an influencer. An influencer's expertise is key for building trust for 39 percent, while 39 percent said they want to see products in use to believe an endorsement (see story).

"If I was recommending to brands or even if I was consulting the influencer I would say that they need to focus more on acquiring and activating the audience of these brands that they're working with," Launchmetrics' Ms. Levy said. "Because that's the only thing from a data perspective that is quite astounding that it is something really buzzy, she's had a lot of great partnerships, but the audience is still not the audience that you would imagine are the followers of Chanel. And I think for brands at the end that is most important."

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