

MARKETING

Luxury brands pick risky celebrity ambassadors

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Kendall Jenner is among the celebrities with the lowest consumer approval rating. Image credit: Missoni

By SARAH JONES

Celebrity endorsements can boost a brand's image among consumers, but new research finds that luxury marketers frequently choose the wrong faces to represent them.

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A report from Spotted notes that luxury brands on average forge weaker partnerships with personalities than mass labels, and many high-end labels link themselves with risky representatives. When making what can be multi-million-dollar marketing investments, luxury brands should consult data to figure out which celebrities will resonate with their audience rather than making a match based on intuition.

"Luxury brands pay attention to every little minor detail when it comes to their creative, it's highly scripted, highly curated, but when it comes to data and research solutions, they tend to be very dismissive of them," said Janet Comenos, CEO of **Spotted**, Boston.

"The creative director tends to drive the strategy, and he or she is inherently a very creative person, and so these brands tend to rely more on the gut instinct of the creative director and the creative director's team than they do on consumer insights or research team at the brand," she said. "Despite every indication that a celebrity may be a very weak choice for that brand and that brand's customers, the creative director will often still move forward with that celebrity because that celebrity resonates with them personally.

"Now the effect that that type of subjective decision making has on the brand is that when a single person or a small group of creative individuals at a luxury brand are making what are often multi-million-dollar celebrity decisions sitting around a table together, they are not considering the customer's point of view, so it's not a customer-centric approach...And the effect really is that consumers will feel alienated."

Spotted's **research** measures how well a celebrity resonates with a brand's target audience, what consumers' perception of celebrities are and how risky a particular ambassador is.

Celebrity choices

Versace was found to have the weakest celebrity strategy of all of the brands Spotted studied. The label's work with

Christy Turlington Burns does not align strongly with its audience, causing it to be the 12th weakest partnership this year.

In addition to failing to find synergy between its consumer base and celebrities, Versace also has a tendency to pick very risky faces.

Nordstrom, Mikimoto, Fendi and Tiffany & Co. were also among the 10 brands with the weakest celebrity alignments.

Tiffany's choices of Lady Gaga and ASAP Ferg resonate more with an audience who is far less affluent than the jeweler's typical customer.

"If you're investing millions of dollars in a celebrity, and the people that that celebrity impacts could never in their wildest dreams afford to buy your product, then it's not a good use of the brand's marketing budget," Ms. Comenos said.

Meanwhile, Burberry's alignment with Iris Law is the second weakest partnership that Spotted studied.

One of the key pitfalls that luxury brands fall into is choosing a face that is too ubiquitous, as this prevalence can weaken all of their partnerships. For instance, model Kaia Gerber's collaborations with brands including Saint Laurent, Marc Jacobs, Versace and Chanel were among the 50 least effective.



Kaia Gerber for Chanel Handbag Stories. Image credit: Chanel

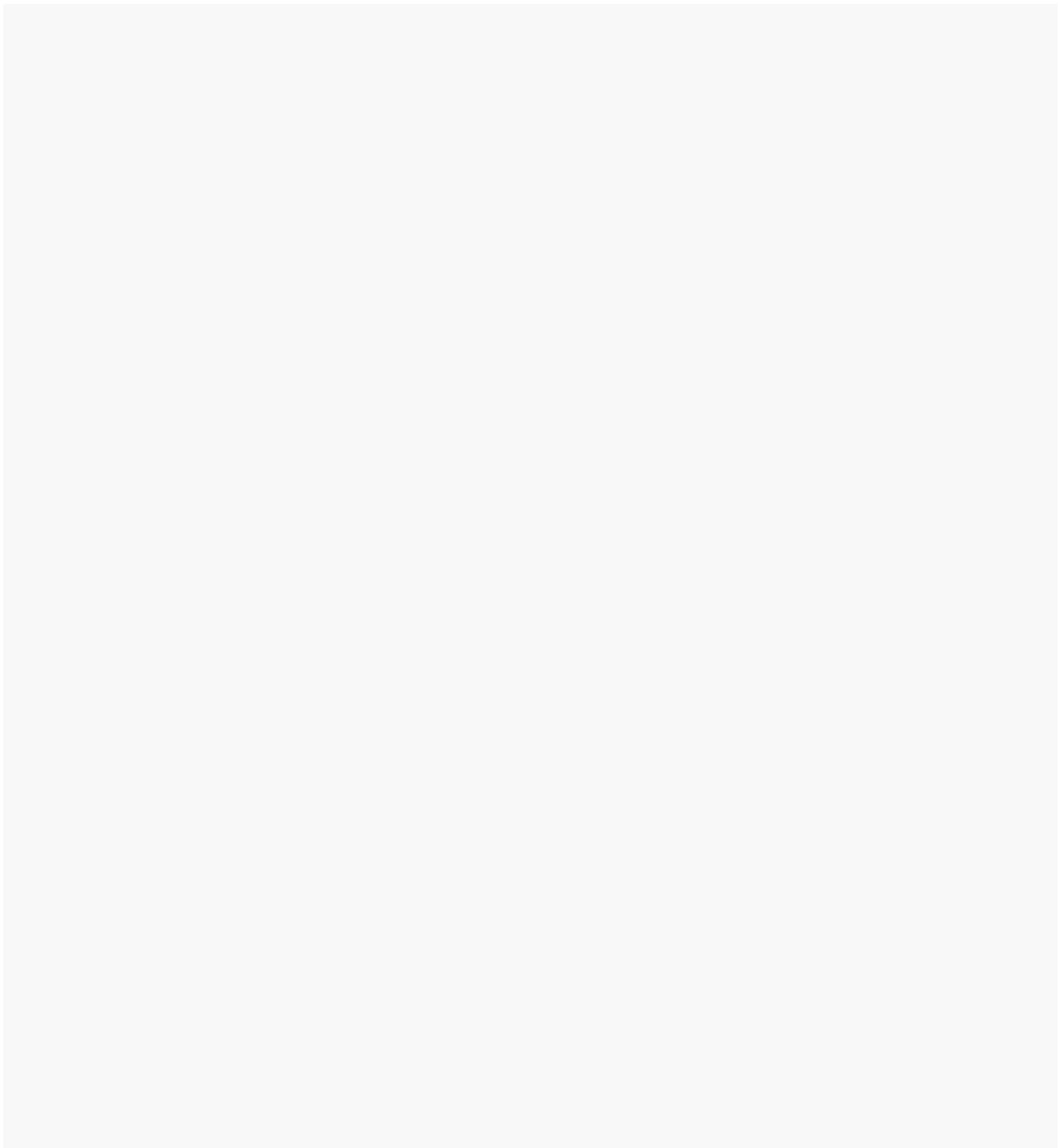
Similarly, Kendall Jenner is one of the celebrities that can have the most negative impact on a campaign, partly due to her plentiful endorsement deals with labels such as Longchamp, Missoni and Fendi. She also has a low consumer approval rating, driving down the benefit of her partnership.

"The problem that arises when a celebrity has so many endorsement deals in the market at the same time, is that those deals end up having a dilutive effect on any one of those brands," Ms. Comenos said. "If you've seen Kendall in 22 different campaigns over the past month, you're not going to be able to keep track of which brands she endorses.

"We often consult our clients on investing in celebrities who are seeing upward momentum, who score highly with their customers in terms of trust and resonance, yet who do not have a lot of endorsement deals in market, because then consumers will be more likely to remember it," she said.

Ms. Jenner's sister Kim Kardashian West is the most over-exposed celebrity, as well as the least trusted among consumers. Respondents also find her to be unauthentic.

The reality star comes with a lot of risk, with consumers responding negatively to her posting risqu photos on social media or defending controversial figures.



Fendi celebrates the special bond between three generations of women and the #FendiPeekaboo. Join the Fendi Family #MeAndMyPeekaboo #FisForFamily

A post shared by Fendi (@fendi) on Jul 12, 2018 at 2:31am PDT

Fendi is among the brands that has worked with Kim Kardashian. Instagram post from Fendi

Fendi, Stuart Weitzman, Versace, Balmain and Dior have chosen some of the riskiest celebrities as faces, while Cartier, Moncler, Giorgio Armani, Longines, Bloomingdale's, Swarovski and Chanel take the least risk with their picks.

More than half of the fashion and retail business' endorsement deals have a risk score of at least 50. Additionally, more than three-quarters of endorsement deals in the industry are made with individuals who have low approval ratings, reflecting negatively on the brand.

While many luxury brands were called out for weak endorsement practices, some are leading the field. Dior, Rolex and Moncler came out on top for the best ambassador choices.

Rolex's alliance with Roger Federer was the ninth strongest partnership in the study. The tennis player's personality jives with the brand's, and his audience is a strong match for Rolex's target.

Roger Federer for Rolex

Dior, meanwhile, has made some of the strongest deals with actors Jennifer Lawrence, Natalie Portman and Johnny Depp.

Risks and rewards

Adding a well-known personality to a campaign can help a marketing effort get consumers' attention. However, sometimes this attention is not for the best.

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 ([see story](#)).

Due to the potential risk involved in pairing a brand with a personality, marketers should consider a celebrity's chance of creating scandal.

Celebrity endorsements have been a longtime strategy for luxury marketers, but today's increasingly interactive climate has shifted the manner in which these campaigns are created.

Social media has become a vital component of brand endorsements, with pressure put on celebrities to be more engaging. According to the "Age of Social Influence" report from Celebrity Intelligence and Fashion & Beauty Monitor, only 8 percent of brand survey takers claim to work with celebrity influencers who do not have a social media presence ([see story](#)).

However, a large social media following is not everything, and brands should look at more than audience size or popularity when picking spokesmodels.

"The hope is that luxury brands realize that they are not only investing in people who aren't converting for them in many cases, but there's also the opportunity cost of working with the right person," Spotted's Ms. Comenos said.

"The right type of celebrity endorser can really move the needle to the brand," she said. "But the wrong celebrity can be really damaging to the brand and can alienate the brand's customers.

"So it's a very high-risk, high-impact type of decision. And luxury brands in particular should be a lot more rigorous in these decisions than they are."