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MARKETING

What is next for Harry and Meghan's Sussex Royal brand?

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The Duke and Duchess of Sussex have withdrawn from royal duties in the United Kingdom and the Commonwealth, focusing on their private charities and interests. Image credit and copyright: PA

By Pamela N. Danziger



For years the royals have been a cash cow for the British economy and its merchants.

In 2017 the global Brand Finance firm estimated the annual contribution of the royal family at 1.8 billion (\$2.33 billion), including 500 million in tourism, 193 million in Royal Warrants (official endorsements for over 800 brands used by the royals), 150 million in royal souvenir trade and 200 million in informal endorsements (the "Kate effect" in fashion, in particular), while the average British taxpayer pays roughly 0.65 (the cost of a postage stamp) annually for their upkeep.

"Consider that against what the Queen does and represents for this country, I believe it represents an excellent value for the money," Alan Reid, the queen's treasurer, told Reuters recently.

In other words, the royals generate a profit.

On top of the royal's day-to-day economic contribution, nothing is more financially lucrative than special royal events, most especially weddings.

The 2011 wedding of Prince William and Kate Middleton brought in an estimated 2 billion (\$2.7 billion), including 157.5 million in memorabilia retail sales, and the 2018 wedding of Prince Harry and Meghan Markle garnered 1.05 billion (\$1.43 billion), including 50 million in souvenir sales and 300 million in advertising value equivalency related to press coverage of the royal wedding.

But that wedding threatens to disrupt business as usual in what Richard Haigh, managing director of Brand Finance, calls "Brand Britain," as Harry and Meghan, Duke and Duchess of Sussex, announced they are stepping aside from their official duties to establish an independent lifestyle, as well as an independent brand Sussex Royal:

"After many months of reflection and internal discussions, we have chosen to make a transition this year in starting to carve out a progressive new role within this institution. We intend to step back as senior' members of the Royal Family, and work to become financially independent, while continuing to fully support Her Majesty The Queen,"

they said in a statement.

The reigning establishment took the bombshell news as expected, with royal commentator Richard Fitzwilliams telling the *Insider* the royal couple went "rogue, doing things their way and at a considerable cost to the institution Harry was brought up to serve."

Broadcaster Piers Morgan said they were acting like "spoiled brats," adding, "This is not how royals should be behaving. When they try and do this, it's a massive conflict of interest."

But that is exactly the point. Harry and Meghan are reimagining the role of royalty in a 21st-century millennial way. By claiming ownership of their personal brand, separate and distinct from "Brand Britain," but still affiliated with it, they are creating a brand extension that could elevate the entire enterprise, most especially in the U.S. where we are both infatuated with and confused by the whole idea of royalty.

"The Sussex Royal brand will be a smash hit, especially in the U.S." shared Robbie Harper of Blue Bridge Public Relations. "This is about a personal brand and Meghan is an American, so there is a stronger connection with the royal family than ever. By distancing themselves from the family, their brand will grow much faster than if they were more involved."

That distance gives the Sussex's control of their brand image and identity, which they are initially directing toward Queen-approved "charitable endeavors," as well as new initiatives that will ultimately broaden the positive cultural influence they and future royals will have.

The Sussex Royal brand, owned by the couple's foundation, will have the Midas touch. It is officially registered with the United Kingdom Intellectual Property Office (UKIPO) for a range of six classes of goods and services extending to some 100 different products and services, including books, magazines, stationary, clothing and hats, promotional fundraising campaigns, educational purposes and social care services.

A subsequent filling with the World Intellectual Property Organization (WIPO) would extend to Australia, Canada, U.S. and the European Union, though the European Union Intellectual Property Office (EUIPO) is currently pushing back on the application.

All signs point to the goods and services trademarks to be used for cause-related work.

"The real question lies in how Harry and Meghan's teams will decide to balance the giving back' element against commercial gain," shared Katie Smith, a former retail and analysis director of U.K.-based Edited and now a trends and insight strategist for the Australia-based Independent Fashion Advisory Board.

"Most likely the brand will be almost entirely for charity work and social good in order to reinforce Harry and Meghan's personal brands something the British media has gone after recklessly," referring to the lawsuit the couple filed late last year against the *Daily Mail*'s parent company, Associated Papers, after the tabloid published a private letter written by Meghan, citing misuse of private information, infringement of copyright, and breach of the United Kingdom's Data Protection Act 2018.

With the formal claim of their brand, the Sussex's will have added protection of their image, something the press abhors but marketers and brand managers fully understand.

Ms. Smith said, "I don't think they'll use Sussex Royal for their own financial gain. It would appear too crass. Instead they'll probably make their money with off-the-radar approaches advisory roles and speaking gigs. But I may be wrong."

Prince Harry currently has in the works a multi-part documentary on mental health issues with Oprah Winfrey to be aired this year on Apple TV+ and Ellen DeGeneres announced on her show, "We're all going to do something together," referring to Harry and Meghan's support of wildlife conservation. All are in keeping with the couple's charitable endeavors.

On the potential profit-making side is Meghan's renewal of her trademark for her influencer The Tig Web site, which was done in September to prevent others from "purporting to be the duchess or affiliated with her," Buckingham Palace said at the time.

A sponsored post, for a socially responsible brand, no doubt, could bring in 80,000 per post, according to analysis by Marie Mostad, of influencer marketing platform Inzpire.me.

And Meghan could return to acting as well. Prince Harry acted as her agent recently with Disney CEO Bob Iger. A voiceover deal was struck just days ago, though this one will not add to the couple's bank account. All proceeds for her work are slated for the Elephants Without Borders conservation charity.

On condition of anonymity, I spoke to a U.K.-based luxury and retail business leader whose knighted father works for the Queen and lives in Windsor Castle.

"Given that until now all royal engagements have been effectively not-for-profit,' it will be interesting to see how they can monetize this without it appearing like they are cashing in," this insider stated. "It needs careful balance of enough involvement to maintain their royal equity' with both the public in general and with potential consumers."

This insider added, "I think they are less image-hungry than the British press claim I have met Harry and he is a very down-to-earth sort of chap, though I have not met Meghan. So if the majority share of earnings go towards the charities they already have set up plus any future ones, which I am sure will be the case, this should generate them enough good will."

Early signs are the Queen and the royal family are giving their blessing to the path that Harry and Meghan have chosen.

After what was described as a "family summit" a few days ago at the Queen's private Sandringham House residence in Norfolk, Buckingham Palace issued a statement saying, "My family and I are entirely supportive of Harry and Meghan's desire to create a new life as a young family."

THE ROYALS HAVE been remarkably adaptable, even if they have done it kicking and screaming otherwise they would not have stayed in power for a thousand years.

Together the Duke and Duchess of Sussex are bringing the royals into the global 21st century by understanding better than perhaps any other royal the power of their brand.

"Harry and Meghan's break from the royal family may just be the Marketing Move of 2020," prophetized Kevin Mercuri of Propheta Communications.

"From an American point of view, it is the perfect combination of romance and raw American self-determination. The fact that the Sussex Royal brand was born of Harry's love for his wife and son will not go unnoticed by North American consumers," or those throughout the world, I would add.



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