

MARKETING

How are luxury brands communicating with their Chinese consumers during the virus crisis?

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From open observation, it seems the big luxury groups were not as agile as the local players. Even basic consumer communication has been lacking. Image credit: shutterstock.com

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It has been nearly a long half-month since the outbreak of coronavirus, and Monday, Feb. 10 marked the first day many Chinese citizens returned to the workplace. This could initiate another wave of infections if proper precautions are not taken, and medical experts from the University of Hong Kong **estimated** that the outbreak should stubbornly hang around until around June or July.

During this stressful time, luxury brands have had to walk a tightrope between promoting their products or just offering helpful advice to consumers who might lack the motivation to shop for luxury items.

A crisis such as this poses a challenge to brands, particularly in the way a brand's headquarters can work in tandem with their local Chinese teams to create swift, but meaningful campaigns.

Time is of the essence, as consumers have grown more anxious and isolated in their communities by the day. But these situations also help a company to relay its values to consumers, which should not come in the form of generic slogans blasted by the **CSR (corporate social responsibility)** department or **one-off donations** it should be a code of responsibility that extends from all departments.

From what *Jing Daily* observed, the big luxury groups were not as agile as the local players. Even basic consumer communication has been lacking.

For example, few luxury brands informed consumers about shortened store hours or delays in shipping services on practically all channels, and only a few of them posted a caring message shortly after the outbreak.

This was quite a contrast to local brands, many of which **published** in-store safety guides right away or offered creatively designed respirator masks.

How did they inform customers about changes?

Since the outbreak went public, many luxury malls decided to shorten their operating hours and offer information about strict safety guidelines and slowed shipping deliveries, but a few luxury brands namely **Gucci**, **Chanel** and **Cartier** did not update this information on their online channels.

While most brands did the minimum by updating their Web sites, **Dior** and **Prada** stood out in their efforts to communicate changes with Chinese consumers.

Dior dedicated a standalone page on the Web site that clearly states delivery times and available customer service times for both its fashion and beauty lines.

Prada's Web site had a reservation spot for clients to book in-store appointments, and the brand also sent out a notification on WeChat about postponed customer service and deliveries to the heavily infected Hubei province.

Aside from communicating with consumers about necessary changes, brands have also delivered up-to-date information on the impact the virus has had on their businesses.

Burberry issued a timely update of the virus's impact to its stakeholders on Feb. 7, saying that 24 of its 64 stores in mainland China are closed, while the remaining stores are operating with reduced hours and have seen significant footfall declines.

"In the meantime, we are taking mitigating actions and every precaution to help ensure the safety and well being of our employees," said Burberry CEO Marco Gibbetti.

Gucci expressed a similar message when we asked for comment, with the brand's spokesperson stating, "We are paying close attention to the development of the virus and prioritizing the health and safety of our employees and visitors. We will closely respond to the measures put forward by the Chinese government on virus control."

Tiffany & Co., too, wrote in a response to our request: "We are making every effort to help ensure our Chinese Mainland and AsiaPac management teams are getting updates on the spread of the coronavirus and ensuring compliance with regulatory requirements, where established and being cognizant of local health and travel advisories. To date, we have complied with all such requirements and temporarily closed several store locations in the affected areas. We will continue to monitor the situation and make the necessary arrangements to ensure the health and safety of our employees and customers."

How did they communicate in campaigns?

Times of crisis can be an opportunity for many brands not just a challenge.

Retailers are moving quickly to online channels by launching Mini Programs and livestreams to make online transactions easier, and beauty brands have offered more entry-level products.

Perfect Diary released a mobile game ahead of its Valentine's Day campaign as a way to ease the stress of citizens.

In fact, some luxury brands expressed their care messages via their Valentine's Day campaigns, but most kept to traditional "love" themes that showed little creativity or originality.

The one brand that stood out was **Louis Vuitton**, which posted a heartfelt message on WeChat: "Every paused journey will eventually restart. Louis Vuitton hopes you and your beloved ones stay safe and healthy." The message is consistent with the brand's DNA, which is rooted in its origins as a fine luggage producer.

Versace, the brand that **was deep in the T-shirt controversy**, has also reacted quickly.

The spokesperson said in an interview with *Jing Daily* that it has taken many initiatives to control the situation.

"We have closed 29 stores in China as a safety measure to protect our employees and the FW20 fashion show in Milan in February is canceled," the Versace spokeswoman said.

"We have also postponed our campaign and media investments in China for now, but we are working with fashion media like Elle, and in collaboration with many other brands, to initiate a new campaign called 'I believe' which aims to spread messages of positivity."

OVERALL, LUXURY BRANDS should think hard about what they can provide to Chinese consumers, and how they can leverage this crisis as an opportunity to push forward brand values, whether that means creating a meaningful campaign or simply demonstrating a positive attitude.

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