

MARKETING

How have KOLs and brands responded to the coronavirus?

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Taobao livestreaming in progress in China. Image credit: Pexels, Luxury Society

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China is gradually going back to work, but the impact of the coronavirus (COVID-19) outbreak has left the country reeling. Throughout this sensitive period, key opinion leaders (KOLs) and brands have had to adopt cautious strategies.

Most importantly, marketers have had to be careful to use an appropriate tone. Anything that looked or sounded like downplaying the suffering that millions of people have endured in recent months would be devastating for the brand's reputation.

For many of their consumers, 2020 has been a traumatic year so far, from those who have lost loved ones or suffered illness themselves to the overall effect on the mental health of living through weeks of quarantine.

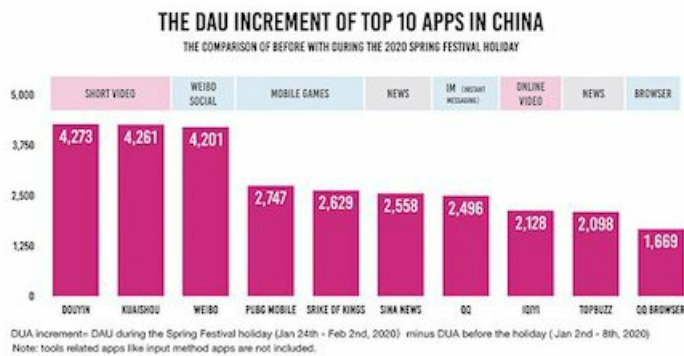
Confronting a demoralized market and a collapse in demand, brands have had to figure out the best way forward.

The same is true for KOLs.

Brands can learn something from the way that Chinese influencers have been responding to the coronavirus crisis.

Of course, brands have also been working together with influencers to address the situation and engage with the Chinese people as they strive to move beyond the lockdowns of the past two months.

Let us take a look at how KOLs and brands are responding to the outbreak.



Translated by PARKLU

The DAU increment of the top 10 apps in China. Image credit: QuestMobile, PARKLU

Consumers: More online than ever

Unsurprisingly, people have been spending more time online, and according to one report, popular **Douyin and Kuaishou** accounts have seen follower numbers spike by as much as a half-million during the epidemic.

Brands have had to communicate with restraint, but consumers stuck indoors have likely been spending more time learning about different brands and products.

One habit that was not disrupted by lockdowns and quarantining was online shopping. As stores shuttered through the epidemic, young consumers continued to spend online.

Some stores including Shanghai cosmetics retailer Forest Cabin were nimble enough to **use live streaming platforms such as Taobao Live to recreate the offline shopping experience online.**

Around 1,600 Forest Cabin employees were trained and redeployed to broadcast via Taobao Live. Founder Sun Laichun appeared in Valentine's Day Livestream that captured around RMB 400,000 in revenue and more than 60,000 viewers.

Other brands have used WeChat group chats in a similar fashion to allow consumers to engage with employees who would normally be working in retail stores.

Louis Vuitton pulled off a major Valentine's Day coup by **doubling its year-on-year ecommerce sales for the festival.**

Digital fashion publication LADYMAX reported that the brand responded quickly to the crisis, adapting to the loss of offline channels by directing consumers to Louis Vuitton's WeChat mini-program to ensure minimal impact on overall sales.

The brand also added timely benefits such as free delivery and enhanced hygiene guarantees to preserve the luxury experience as much as possible in spite of the unusual circumstances.

Many of these success stories reflected advice given in a deck released by marketing and PR agency Ogilvy in the midst of the epidemic.

Ogilvy laid out **ten best practices** for brands responding to crisis situations, naming agility as a key trait, as well as preparedness to create opportunities from difficult circumstances rather than wait for the situation to ease.

Another takeaway was that brands should develop ecommerce capabilities to avoid being over-dependent on in-person brand experiences.

PARKLU's Elijah Whaley said there have also been opportunities for KOLs who run **ecommerce live streams**. "If you're a live streaming ecommerce KOL, business is pretty much as usual," Mr. Whaley said.



A focus on staying fit

With quarantines upending daily routines, and most gyms closed temporarily, millions of people were unable to keep up with their regularly scheduled workouts. Brands and fitness KOLs have stepped in to fill the gap.

Again, live streaming proved indispensable for delivering content to help consumers retain a sense of normality through the long days at home.

Nike offered an invite-only Nike Training Club (NTC) workout to its KOL community, a good exercise in generating goodwill among influencers. Over two weeks in February, the brand also teamed up with Douyin to offer live-streamed NTC workouts to a broader audience, encouraging consumers to stay engaged while under quarantine.

Similarly, fitness app Keep released offline-only workouts to online users via Douyin. The service reportedly saw its Douyin following increase by 18 percent in the first few days of the epidemic.

Case study: Taobao addresses lifestyle changes

Chinese netizens love it when KOLs and brands speak to their own lived experiences.

The coronavirus crisis has been a kaleidoscope of emotions and experiences for everyone involved, and creatives have helped brands tell stories that have resonated with consumers.

Both Meituan and Taobao created comic strip-style illustrations that resonated with the experience of life under quarantine, sometimes humorously, sometimes poignantly.



The message switched to being more socially responsible this year. Image credit: PARKLU

A socially responsible response

Mr. Whaley said brands largely suspended social media campaigns through the height of the epidemic, recognizing they risked a backlash if they were perceived as oblivious to the crisis.

"Brands are still doing ecommerce campaigns, but they're not doing the social stuff because it's too sensitive," Mr. Whaley said. "It's been all about direct marketing and community building."

Instead, one of the most obvious ways that KOLs and brands have responded to coronavirus is by engaging in philanthropy or corporate social responsibility efforts.

In a time of crisis, brands and influencers have little to lose by showing that they sincerely care and demonstrating a willingness to help.

A number of brands Haier, Baidu and Zhihu, for example created campaigns expressing solidarity with relief and containment efforts.

Meanwhile, major players such as luxury corporations LVMH (RMB 16 million) and Kering (RMB 7.5 million) donated generously to Red Cross organizations on the ground.

Around the world, the business has donated almost \$3 billion to date towards ensuring adequate supplies of protective equipment, medical supplies and other essentials are available to those engaged in the relief effort. Major contributors have included companies such as LVMH, Kering, L'Oreal, Este Lauder, Shiseido, Swarovski and Chow Tai Fook.

After the coronavirus

"It's not all bleak, it's just that things are slow," Ms. Whaley said.

However, he said the crisis also helped to bring a sense of perspective.

"This really kind of humanizing everybody," Mr. Whaley said. "It's people that run these businesses and actually do the work, and they are stuck at home too. We're all in this together."

Mr. Whaley said that PARKLU's advice is to get ready for a rebound as the coronavirus crisis dissipates.

"There's a really good chance that once people can go out, that there's going to be a really good pop in commerce," Mr. Whaley said.

Ogilvy's crisis guidelines warned brands not to be caught off-guard, saying that a return to normality could arrive suddenly and without warning.

"There's some pent-up energy and cash, to be honest, in people's bank accounts," Mr. Whaley said. "They're going to want to go out and buy."

The best advice is to vet KOLs, create solid plans and promotional strategies.

"When the time's right, you'll be ready to pull that trigger," Mr. Whaley said.

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