

ADVERTISING

## Should luxury brands back presidential candidates?

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By RACHEL LAMB



Luxury brands are participating in Runway to Win

Select luxury marketers including Marc Jacobs, Diane von Furstenberg, Donna Karan, Tory Burch and Jason Wu are participating in an ecommerce effort in which proceeds from select items benefit the Obama Victory Fund. However, the general consensus is that brands which support a presidential candidate run a much higher risk of alienating consumers than gaining them.

The ecommerce initiative, called Runway to Win, encompasses luxury goods that are sold to support the Obama Victory Fund, a foundation aiding the campaign for sitting U.S. president Barack Obama's reelection. However, many experts believe that mixing

fashion and politics is not a game that luxury brands should be playing.



“If the candidate wins, you get some halo effect of getting it right, and there’s always a pro to siding with a winner before they become a winner,” said Milton Pedraza, CEO of the [Luxury Institute](#), New York. “However, the downside is that you can alienate a significant number of constituents by playing the political game.

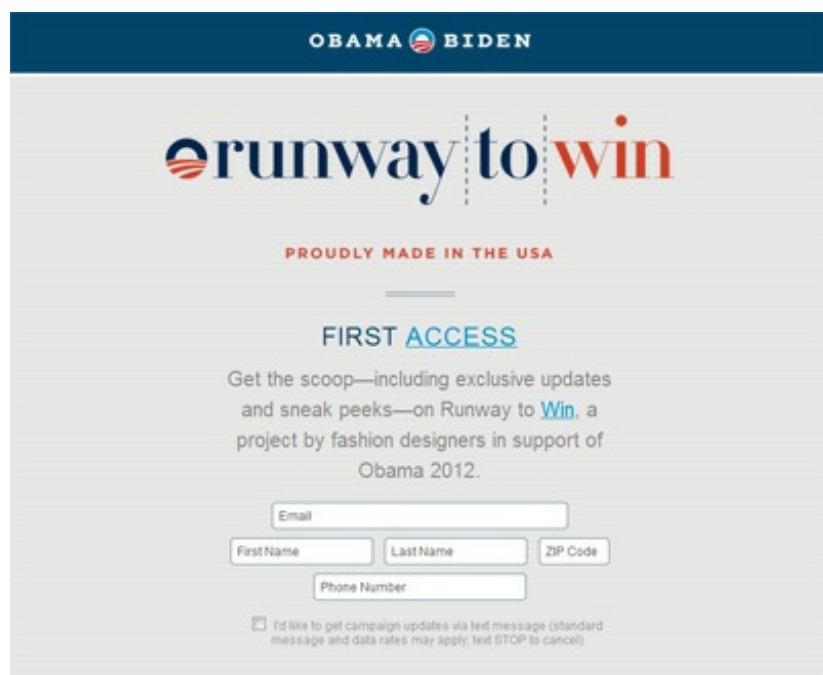
“The upsides are not so great, but the downside could be catastrophic,” he said. “Brands should stay away from the political game and focus on building customer relationships, period.”

Run away

Runway to Win can be found at at <http://runwaytowin.com> or <http://www.barackobama.com/runway-to-win/>.

Starting Thursday, Jan. 12, consumers can buy T-shirts, bags, scarves and wristlets, all profits of which will go toward Mr. Obama’s campaign, according to a report from Women’s Wear Daily.

Right now, users can sign up to receive email and text updates about Runway to Win and the Obama campaign as it progresses.



*Runway to Win homepage*

“Politics in general is a rather controversial subject,” said Ron Kurtz, president of the [American Affluence Research Center](#), Atlanta. “The U.S. electorate, even among the affluent, is pretty evenly divided between support for the presidential candidates of the two major parties.

“The members of Congress of both parties have very low job-approval ratings,” he said.

“To be identified with one side or party could alienate an almost equal number of potential consumers.”

While affiliating with a presidential candidate could significantly turn consumers off for the time being, it may not be completely damaging since most U.S. consumers have short memories and the campaigns will be over in November.

Additionally, just because a candidate says that he has certain beliefs or has plans to accomplish something does not mean that he will actually do so if elected.

This does not have anything to do with any specific candidate, just that each has opposing parties that make it difficult to get unpopular decisions done, Luxury Institute’s Mr. Pedraza said.

“The ability for someone to really deliver on their agenda is limited,” Mr. Pedraza said. “It’s a tough bet to make and not something that most brands, specifically luxury brands, should make.

“There is a very significant and potential downside,” he said.

Alien policy

Politics, like fashion, is a passionate topic.

Therefore, it makes sense that luxury designers turn their fashion passion to another area.

Just as luxury brands could turn customers off, they could just as easily gain loyalists who share their presidential, moral and political affiliations.

However, the fact remains that fashion and politics do not have much in common.

“I don’t think that it’s worthwhile to become involved in politics because it is a game where there are tremendous emotions attached, good or bad, and playing the political game can damage a brand for no good business reason whatsoever,” Luxury Institute’s Mr. Pedraza said.

“You’re not in the politics game, you’re in the product and services game,” he said. “Your first priority should be to develop great customer relationships based on what you deliver, not one that candidates deliver.”

In a way, supporting a candidate who has the same morals or beliefs to a brand is similar to cause marketing, but without the charity aspect.

However, global consumers not living in the United States may be more inclined to accept a luxury brand that supports a presidential candidate.

“I don’t think the support of a political candidate is the same as cause marketing, at least not in the U.S.,” Affluent Research’s Mr. Kurtz said.

“[However], there may be some countries such as in Europe where Obama has a great image and the affluent consumers might like to see him being supported by a luxury brand,” he said.

Final Take

*Rachel Lamb, associate reporter on Luxury Daily, New York*

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