

MARKETING

## Why are luxury brands rushing en masse to appoint Chinese ambassadors?

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Luxury brands are appointing Chinese celebrities as ambassadors en masse. Image credit: Bulgari

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If 2022 was the year of K-pop Gucci, Cartier, Fendi and other houses added at least one South Korean idol to their roster of ambassadors 2023 marks the return of Chinese celebrities as representatives of luxury.

When China ended COVID-19 restrictions at the beginning of 2023, brands rushed to dust off their budgets for Chinese spokespersons.

Following Milan Fashion Week, Versace announced homegrown singer Li Yuchun as its global brand ambassador, and Italian jewelry house Bulgari appointed renowned Chinese actress Liu Yifei as its international spokesperson.

Most recently, Michael Kors appointed Shu Qi as its global face, and Louis Vuitton announced dancer and actress Song Qian as its latest brand ambassador.

The appointments showcase luxury brands' recovered confidence in the mainland market.

To be sure, China's lengthy COVID-19 lockdowns and crackdown on celebrities made 2022 a tumultuous year for businesses.

According to [Aiman Data](#), the number of brand ambassador appointments in China nearly halved in 2022 compared to 2021.

During the second quarter of 2022, the platform recorded 385 new spokesperson appointments, down from 600 in the corresponding period in 2021.

As China is on track to become the **largest luxury market** by 2025, brands' investment in the market is a shrewd move. Here, *Jing Daily* talks to industry experts to provide a playbook for choosing the right ambassadors and navigating celebrity scandals, and forecast whether C-pop will take over from K-pop.

How to choose the right Chinese ambassador

Gone are the days when a luxury house chose only one ambassador to embody its brand spirit.

According to [Aiman Data](#), in 2021, each tracked brand retained an average of 2.13 spokespersons.

Having a diversified cast of spokespersons is one way to mitigate the risk of celebrity scandal.

"The most successful partnerships happen when the brand leverages a voice that embodies the unique brand ethos and is also able to bring in some cultural relevance that connects with the local consumer," said Kim Leitzes, managing director for Asia-Pacific of Launchmetrics.

"Consequently, we see several brands experimenting with unconventional voices such as models, sports stars, or even niche KOLs, which often generate unique outcomes," she said.

Brands must strike the right balance in their cast of ambassadors.

For instance, a mix of enduring relationships with stars that endorse main lines and demonstrate consistency and memorability, and emerging personalities who can boost visibility and sales via seasonal collaborations.

For many brands, finding celebrities who align with their image and values is the most crucial component. This may include considering the celebrity's personality, artistry, reputation and potential conflicts of interest and risks to ensure that they embody the brand's identity.

Adrian Peh, general manager of fashion and beauty at Gusto Collective Shanghai, said brands should also consider the celebrity's X factor, which means assessing potential ambassadors' enduring popularity, influence and engagement with the target audience to ensure that they would appeal to the target Chinese consumers.

"The X factor can often lead to greater sales and brand exposure," Mr. Peh said.

How to navigate Chinese celebrities' scandals?

"It may appear counterintuitive that luxury firms are increasing their celebrity engagement in the face of China's ongoing celebrity crackdown," Mr. Peh said.

"However, there's no reward without risk," he said. "While the impact of this crackdown on luxury brands remains to be seen, firms should be prepared to maneuver through this type of situation."

China's idol economy is expected to generate revenue of more than **\$195 billion** (1.34 trillion RMB) in 2026, expanding at a CAGR of 17.7 percent from 2021 to 2026.

Luxury brands understand the power of influence and have doubled down on this strategy in China. But they are also becoming more prudent, as there is no absolutely safe choice.

Even Olympic athletes are not immune to scandal.

Recently table tennis player and gold medallist [Zhang Jike](#), ambassador of Chinese sportswear brand Anta, was brought to public attention for gambling debts and distributing intimate videos.

In light of potential backlashes against spokespersons, some brands have rewritten their contracts.

In particular, they are adding a clause mandating **full compensation reimbursement** in the case of a scandal during the contract period in a bid to avoid a financial loss when terminating contracts with local stars.

Finally, will C-pop supplant K-pop?

China's celebrity crackdown precipitated the fall of many names, including Deng Lun, Yuan Bingyan, Jing Tian and Li Yifeng in 2022.

Given this heightened risk, brands have eyed alternatives to boost their visibility. South Korean idols are believed to be a safer and more attractive alternative. Their influence is not confined to the peninsula they boast fans worldwide.

In 2022, Gucci named Hanni from the K-pop group NewJeans to its roster of ambassadors, Cartier added Blackpink member Jisoo to its Panthere community and Fendi appointed actor Lee Min-Ho as its spokesperson.

However, with China's borders reopening, brands are urged to connect with local consumers.

"The appointment of Chinese celebrities as global or brand ambassadors is a strategic move by luxury brands to reinvigorate excitement during this important reopening phase," Mr. Peh said.

"This marketing tactic is expected to help brands accelerate their recovery, widen their audience and community, and deepen relationships with Chinese consumers," he said.

Although Chinese stars are handed global spokesperson titles, they are mainly part of localization strategies targeting domestic shoppers.

As such, brands will not necessarily ditch K-pop for C-pop.

"C-pop and K-pop stars have unique strengths and appeal to different audiences," Mr. Peh said.

"Luxury brands will likely continue to leverage both K-pop celebrities for their established following and C-Pop stars for fast-growing reach," he said.

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