

# A Comparative Study of Luxury Brands' PR Responses to Negative News about Endorsers in Two Categories of Legal and Moral Violations--Taking Prada as an Example

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## Abstract:

In recent years, celebrities and artists have been officially banned or caught in the crossfire of public opinion due to legal and ethical issues. Negative news about an artiste not only affects the artiste's own career, but also the brand he or she is endorsing, and even carefully selected luxury brands can't avoid this risk. Even luxury brands that choose their spokespersons carefully can't avoid this risk, and Prada, one of the six blue-blooded Italian luxury brands, has had several spokespersons in China in a row. As many Chinese endorsers have had negative news in a row, this phenomenon is representative, so this paper will choose Prada for specific research.

**Keywords:** breach of morality, breach of law, cutting ties, diluting ROL

## 1 Introduction

### 1.1 Background of the study

For the purpose of perfecting brand image construction, driving attention to brand activities and so on. Luxury brands invite celebrity artists to endorse. Previously, some scholars have pointed out that there are risks in inviting celebrity endorsers. The brand crisis triggered by the spokesperson belongs to the external unintentional type of crisis, the brand side of the event unaware of the responsibility. Prada for three consecutive years, three spokespersons appeared in the negative news, Shuang Zheng surrogate event exposed the day of the Prada share price fell 1.7%. The microblogging topic #Prada tears Prada's fall # accumulated readings of 130 million times, spokesman negative news for Prada's share price impact, the brand appeared public opinion crisis.

### 1.2 Relevance

At present, Chinese domestic literature mainly focuses on the impact of spokesperson image on brands, research on spokespersons and consumers, as well as the analysis of marketing activities of choosing spokespersons, with less research on the relationship between spokespersons and brand roles, as well as the collation of PR responses of brands in the event of negative news. Research on brand crisis response due to spokespersons can provide reference for brand managers.

### 1.3 Research methodology

In this paper, with full consideration of the current era background, we firstly collect and organise the literature extensively, and use the inductive method, comparative method, and case study method to research the PR treatment of brand crisis caused by spokespersons for luxury brands. Based on the above research, Prada has different ways to deal with the negative news of spokespersons according to the type of negative news. Combined with Jing Huang's definition of spokesperson negative news classification, two different types of spokesperson negative news Prada brand crisis response from the illegal and unethical type, to conduct a comparative study.

## 2 Literature review

### 2.1 Current status of domestic literature

#### 2.1.1 Endorser Activities and Brand Crisis

China Knowledge Network shows that scholars have been conducting research on endorsement activities since 1995. The marketing method of inviting celebrity spokespersons to participate in brand promotional activities is more frequently used in today's Internet era. Zhenghao Chen's research concludes that the cooperation between luxury brands and celebrities can indeed increase the economic benefits of the brands through the celebrity effect and fan economy of the stars.[1] The branding crisis. Hongrui Zhang's "Brand Crisis PR Shift" has pointed out that the

main purpose of inviting celebrities as spokespersons is to borrow the image and popularity of celebrities to shift consumers' attention to the products and build brand association.[2] However, the negative image of the brand spokesperson is not the same as the negative image of the product. However, a negative image of a brand spokesperson can also implicate the brand.

There are risks in inviting celebrity spokespersons. Xiaoyu Wang's "The Reversal of "Fan Economy" on Brand Marketing and Suggestions for Solution" points out that as the risks brought by the star effect are often sudden and uncontrollable, when negative events happen to stars, brands are almost inevitably affected.<sup>[3]</sup> The "Fan Economy" is the most important element of the brand's marketing. The "fan economy" is highly dependent on fans and public opinion, and when a star's reputation is damaged, the "fan economy" can have the effect of directly reducing the brand's sales.

The specific impacts of negative spokesperson news on both consumers and brands are discussed in Chang Sun and Xiuhua Li et al. For consumers, the impact is mainly focused on the generation of righteous anger and retaliatory behaviours towards the brand due to negative spokesperson news<sup>[4,5]</sup>. For brands, corporate stock prices fluctuate due to negative spokesperson events, and consumers have negative associations with the brand.

### 2.1.2 Research on different types of negative news

Based on the Chinese society, there is a clearer delineation in Jing Huang's "The Impact of Entrepreneurs' Violation of Sentiment and Illegal Behaviour on Brand Image". Illegal behaviours refer to those behaviours that violate the current laws of the country and cause some kind of harm to enterprises and consumers. Violation of sentiment mainly refers to the act of making a conflict with consumers' inner values and rules, and violating consumers' inner emotional norms.<sup>[6]</sup> The paper will also be based on the research on the behaviour of the consumers. This paper will also be based on the study's determination of insensitive and illegal behaviours, and specifically divide the research sample behaviours.

### 2.2 Inadequate established literature

Past literature on the role of spokespersons, the impact on enterprises and consumers of different degrees of research is profound and detailed. However, the consumption of luxury brands in China relies on the fan economy to a small extent, and luxury brands invite celebrity artists to endorse to attract traffic, generate activity media value, and improve the construction of brand image. Therefore, there is a certain difference between luxury and FMCG in terms of the impact and handling of negative news about their endorsers. There is a lack of relevant literature in this regard.

## 3 Full text

### 3.1 Conceptual delineation

One of the commonalities of the negative news of Prada's previous spokespersons Shuang Zheng, Yifeng Li, and Kun Cai is the use of microblogging as the main platform for the fermentation of public opinion. The news reports of the three related negative social subject matter events were reprinted and disseminated on the new media. This behaviour is in line with the conceptual delineation of negative news on the internet in Quansheng Li's "On the Communication Characteristics of Negative News on the Internet"[7] The behaviour is consistent with the conceptual delineation of online negative news in Quansheng Li 's "On the Communication Characteristics of Online Negative News. Therefore, this paper will take network negative news as the main discussion direction to analyse the specific case.

### 3.2 Network communication characteristics

Network communication speed, interactivity, news "gate-keeper" link weakened, everyone can become a reporter. After netizens found CCTV and other central media shelves Yifeng Li related content, a number of microblogging users have broken the news Yifeng Li was "official removal" of the causes and consequences of the last Ping An Beijing notice results and netizens are basically the same as the news. From the excavation of the incident to the police notification of Yifeng Li was detained in less than 48 hours. The characteristics of network communication can speed up the restoration of the incident, but the high degree of freedom of content dissemination has also led to an increase in the inaccuracy of the information.

Kun Cai's negative emotional news began when a micrologger named "Mr C, don't be too brave" revealed that Kun Cai had fallen in love with a woman surnamed C, and asked her to have an abortion after she became pregnant. Later, some netizens and microbloggers who claimed to be "in the know" supplemented the "evidence" to make the incident at the peak of the discussion, Kun Cai at the same time there are a number of violations of minors, invasion of privacy, threatening the personal safety of others, such as a number of crimes that touch the red line of the law. In the end, apart from the fact that Kun Cai and Ms C were once lovers, the rest of the story is impossible to prove the authenticity of the case.

Yan Su 's 2013 study concluded that microblogging has an accelerating effect on the spread of negative news. Internet users are constrained by the "negative preference mechanism", which favours the reading and dissemination of negative news. Yifeng Li and Kun Cai, as celebrities with a large number of fans and a certain degree of popularity in the society, are highly visible in the news, and the

diffusion effect has a wider “surface”, which improves the efficiency of news dissemination.

### 3.3 Basis of typology

This paper studies Prada’s nearly three spokespersons Shuang Zheng, Yifeng Li, Kun Cai negative events and Prada’s public relations response. Combined with Jing Huang entrepreneurs spokespersons against the type of love, illegal type of negative news type to make a decision. Shuang Zheng “surrogate pregnancy” “tax evasion”, Yifeng Li “multiple prostitution”. The above two spokespersons’ own behaviours have violated national laws, and are illegal, belonging to the illegal type. The emotional relationship between Kun Cai and Ms. C caused heated debate on the Internet, but the whole incident did not involve law enforcement agencies. Kun Cai as a popularity of the new era idol, in the explosion of romance, the informer issued a female “abortion” evidence, in the text repeatedly used “forced”, “threat” and other words, plus the social status gap between men and women. Coupled with the gap between the social status of men and women, many people unconsciously into the male strong female weak, the female side by the male side of the bullying, contrary to the consumer’s inner reasoning, and at the same time as an idol, love is an idol of misconduct is also the topic of the discussion of the hotspot. Kun Cai’s negative news is in line with the type of negative news that violates emotions, and there is a clear difference between Prada’s PR treatment of negative news for the two types of spokespersons.

### 3.4 In-depth analysis of specific cases

#### 3.4.1 Offence type

Before 13:00 on 10 September 2022, netizens found that the official microblog of the Supreme People’s Procuratorate deleted the content of the artist Li Yi Feng. Subsequently, # three words artist # Supreme People’s Procuratorate deleted blog # # words on the hot search. As of 17:00 on the same day, the Supreme Prosecutor’s official clearance of all Yifeng Li related content, the CCTV re-edited the released # CCTV Autumn Gala guests to send Mid-Autumn blessing # words Yifeng Li clip, and update the CCTV General Station Mid-Autumn Gala programme list, delete Yifeng Li programme. The above series of behaviours of the official media have caused a hot debate on the internet. According to the “Self-discipline Management Measures for Performers in the Performance Industry” issued by the China Performing Arts Industry Association (CPAIA) on 5 February 2021, performers should consciously abide by national laws and regulations, and should not violate the basic principles stipulated in the Constitution. Inferior performers who violate the regulations will be subject to industry boycotts of varying

degrees for more than one year. [8] Combined with a few days ago, netizens broke the news that Yifeng Li visited prostitutes. Yifeng Li, three words artists, prostitution by netizens quickly linked together to become the topic of the day hot words. 2021 Prada’s former spokesman Shuang Zheng because of the “overseas surrogacy”, “tax evasion” by the industry blocked. The new spokesman Yifeng Li was exploded prostitution, “Prada China is relying on the artist default profit” “congratulations on the two legal curiosity” and other negative comments flooded into the Prada microblogging comment area. Prada official microblogging on September 10 only updated a Mid-Autumn Festival Blessing did not make any response about the spokesman Yifeng Li. That night 22:37 Yifeng Li studio “a peak letter” issued a statement on the network related statements are false rumours. 23:25 Yifeng Li himself published a long article when the rumours have had an impact on his mental health and business areas. The next morning Li Yi Feng and his personal studio issued a long clarification of the article were hidden by Sina Weibo. 17:42 on September 11th Ping An Beijing official micro notice, actor Li Moumou (male 35 years old) to the fact of repeated visits to prostitutes confessed to the fact. 18:28 Prada’s official micro message and Li Yi Feng and the end of all cooperation relations. In addition to this termination blog post, Prada did not release other content on 11 September.

#### 3.4.2 Unethical

On 26 June 2023, netizen “Mr C don’t be too brave” broke the news that Kun Cai had a relationship with Ms C in May 2021, and soon after Ms C got pregnant, Kun Cai asked her to have an abortion. Cai’s mother suspected that Ms. C extortion sent private detectives to track Ms. C and other acts to investigate Ms. C, bringing a series of injuries to Ms. C, and issued the relevant evidence. The revelation was issued and immediately caused a discussion across the internet. # Kun Cai Ms C abortion # # Cai mother recording # and other related words and phrases fire on the microblogging hot search. Several self media bloggers and people claiming to be related to the incident claimed that Kun Cai also had problems such as forcing minors to have sex and forcing abortions. Another spokesman public opinion crisis, Prada spokesman curse topic again triggered heated discussions among netizens, Prada did not make any response. According to “Mr. C do not too brave” posted the past seven days, Kun Cai studio responded for the first time, a few days ago, the Internet rumours about the artist “and underage dating”, “forced abortion” and so on are all false rumours! The company said that the rumours were false, damaging the interests of artists, and suspected of defamation has gone through the legal process. The same day 11:30 Kun Cai himself issued

a clarification, in 21 years did have a relationship with Ms C, private matters have been resolved, there is no net rumours of disputes, the two sides are voluntary emotional relationship. In this Kun Cai public opinion event, no law enforcement agencies to intervene, entertainment media broke the news of the evidence can not be tested true or false. The Beijing Advertising Association issued a risk warning about the public opinion fermentation of Chinese singer Cai on 1 July, and deleted the risk warning on 19 July. Kun Cai did not violate the law, the moral level of negative news so that Kun Cai's personal image is damaged. Prada did not delete Kun Cai past relevant content, and did not issue a letter with Kun Cai to terminate the co-

operation relationship.2023 after May 6 in no update Kun Cai relevant content, weakening the role of spokesman.

## 4 Summary

### 4.1 Conclusions of the study

From the perspective of semiotics, endorsers as important promotional symbols of the brand help the brand to realise the brand image construction and generate media value for the brand activities. Luxury brand endorsement increases the commercial value for celebrity artists. Both parties are mutually beneficial.

**Table 1 Comparison of Prada's Crisis Management Approach**

Persons involved or implicated	Types of negative news	Response	Excess Material Handling	
Yifeng Li	flammable	Issuance of a letter of dissolution of its cooperation	Delete all past materials	Completely cut off
Kun Cai	unfeeling	No positive response	Retain relevant materials without updating	Downplaying the spokesperson role

Three spokespersons of Prada have negative news in a row, and the halo effect is significant.<sup>[9]</sup>As shown in table 1. In the face of the crisis caused by negative spokesperson news, Prada adopts two crisis management methods, namely cutting off contact completely and downplaying the role of spokespersons, in order to reduce the negative impact of the brand in the negative news of spokespersons.

### 4.2 Inadequate research

First, the sample case is poorly timed, with the Yifeng Li incident occurring on 10 September 2022. Kun Cai incident broke out on 26 June 2023 time point. The two sample time points are more than 6 months apart from the data research stage of the thesis.

Secondly, the data focused only on online surveys. Both incidents were triggered by netizens in the microblogging public discussion, in the thesis data collection process mainly for microblogging netizen comments, as well as implicated people and Prada official microblogging account to carry out investigations. In addition to the central video and other platforms to verify the relevant content was taken down.

Third, the data reduction degree is insufficient. Because Yifeng Li is involved in illegal behaviour, so microblogging has cancelled his and the studio's official account, the feedback survey about the two clarification letters from the public is not sufficiently restored.

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