

Analysis of Virtual Spokesperson in Marketing

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Abstract: Based on the development of virtual technologies and networks, the virtual idol market is experiencing a remarkable surge, attracting more and more young people around the world, especially in Asia. These virtual icons are increasingly seen as alternative brand ambassadors to traditional celebrities, helping brands broaden their brand image and target audience. A number of well-known brands, including Chanel, Gucci, and L'Oréal, have capitalized on this trend by partnering with well-known virtual icons. In keeping with this trend, some brands have even created their own unique avatars to round out their brand image. Watsons, a chain retailer specializing in personal care products, has launched a virtual ambassador "Wilson". Therefore, this paper discusses the current business value of virtual idols through theoretical analysis and takes Watsons' virtual ambassador as an example. It also analyzes and suggests the marketing strategy of Watsons' virtual idol. The virtual idol market is a new market direction with great potential, but it lacks relevant operation experience to maximize its value.

Keywords: virtual spokesman, marketing strategy, advantages and disadvantages

1. Introduction

The market for virtual idols has exploded sharply in recent years. The total sales revenue of China's virtual idol industry is expected to ¥ 3.46 billion in 2020, and the future growth of this market is expected to reach ¥ 6.22 billion in the following years [1-2]. The concept of "virtual idol" is from Japan. The virtual idol is actually a fictional band or virtual avatar that exists in the real world. In the initial stage, virtual idols just perform on stage and create their own albums, similar to what real idols would do. The most famous example could be Hatsune Miku, from Japan. In 2012, Hatsune Miku had already generated nearly \$120.28 million for Crypton Future Media [3]. Miku's success attracts numerous companies to enter this new industry, and with the development of the virtual idol market, their use of them is no longer limited to entertainment, but also commercial use. Now, brands, such as L'Oreal, Gucci, Watson, Chanel, etc., tend to include virtual idols in their marketing campaigns. This year, many companies in China have also begun to try to use virtual endorsements to help the group complete marketing and brand promotion. Among them, the most famous is the virtual spokesperson "Wilson" of Watsons.

Therefore, this paper uses theoretical analysis to discuss Watson's virtual spokesperson and its marketing strategy. Through the analysis of Watson's development, it can provide ideas and help Chinese enterprises maximize their commercial value.

2. "Wilson" in Watson

Watson is the brand that utilized virtual avatars as its brand ambassadors in its relatively early years compared to others. The virtual avatar is named "Wilson". Wilson's appearance is attractive. Golden hair, brown skin, exquisite facial features. Watson aimed to shape Wilson as a young, fashionable, energetic AI brand ambassador and, simultaneously, convey its brand core: "no fear to try, beauty is reasonable" [4]. The first appearance of Wilson is in July 2019 [4]. After his debut, he collaborates with various Chinese celebrities and fashion magazines, such as "Marie Claire," and has his own Wechat mini program, etc. Wilson's work scope is also wide, from teaching customers makeup and skincare techniques to casually chatting with them as their close friends.

3. Advantages

3.1. Customer

Virtual idols have been employed or used by many businesses to attract young customers. The main target market age for virtual idols is Generation Z, and the most obvious common feature of this group is that they use their mobile phones for at least 9 hours a day [4]. Their lifestyles, social methods, and purchasing habits have gradually entered the trend of digitalization and virtualization. Therefore, virtual idols can become a tool for companies to cater to this trend. In addition, the demographic characteristics of fans of virtual idols also match the characteristics of Gen Z fans aged between 16 and 27. In this case, utilizing virtual idols may be an attractive marketing activity for young people.

Watson fully socialized its AI ambassador Wilson. Wilson interacts with fans through various social media, including sharing his life and special moments, responding to fans' comments, and chatting with fans casually on WeChat mini-programs. Through these operations, Wilson has established a closer connection with his fan base. And its fan loyalty can be further translated into fan loyalty to Watson.

3.2. Brand Image

The second advantage of using a virtual ambassador for Watson is AI brand ambassador can be set to highly fit its brand image. Watson's brand core promotes health, beauty, and positivity. Correspondingly, Wilson's "personality" is outgoing, warm, and optimistic. The existence of Wilson facilitates Watson to personify its brand and render the brand distinct human quality. Thus customers could establish more personal relationships with the brand, and ultimately form loyalty to Watson.

A company's brand image affects customers' first impression of the company and its products, and is also one of the factors that affect consumers' decision to buy more. And a brand spokesperson that conforms to the corporate image will increase the positive image of the company in the market and in the subconscious of customers, thereby increasing the potential market of the company [5].

However, leveraging celebrities (the traditional way of marketing) largely does not guarantee a win-win for brands. The most important reason is that the celebrity's public image may not match or change with the brand image. And this kind of instability not only cannot effectively increase sales, but will cause negative effects [6].

Take the case of Paris Hilton and Carls Jr., Paris Hilton endorsed Carls Jr. in 2005 and again in 2015. Judging from the data, the image of sexy female models seems to boost the sales of hamburgers. Same-store sales rose just 1.7 percent after Paris Hilton endorsed its brand, well below analysts' expectations, according to a Carl's Jr. restaurant report. In a Carls Jr. commercial, a scantily clad Paris

Hilton munches on a giant \$6 spicy BBQ burger while washing his car [7]. The ad caused huge controversy at the time.

Additionally, brands do not have complete control over the behavior of their spokespersons. In 1997, David Beckham signed a four-year contract to promote Brylcreem's hair care products. But halfway through the deal, Beckham shaved off his hair. And brand ambassadors without hair are almost impossible to promote hair products, which also affects the sales of the brand. Sales also fell by almost 25% after the incident [8].

In view of the risks and problems of brand spokespersons, the use of artificial intelligence ambassadors has solved these problems for a long time. Because enterprises can design and set the artificial intelligence image and personality according to their own needs and brand image, so that it is more consistent with the brand image. And the brand side can fully manipulate the artificial intelligence brand ambassador to complete its marketing strategy [5].

3.3. Market Potential

Moreover, AI brand ambassadors also have a high potential to attract a high volume of fans. Recently, a Chinese virtual influencer "Liu Ye Xi". The hair, hand texture, and facial expression are highly similar to a real human. After she had "uploaded" her first micro-video in douyin, the number of her followers reach 1.3 million within 30 hours. Until January 12, 2023, the number of her followers has already achieved 8.537 million. This AI influencer attract more than 7 million followers within two years. The popularity and hidden commercial potential of "Liu Yexi" has made many companies and brands pay more attention to the marketing strategy of virtual spokespersons [9].

4. Issue

Watsons AI ambassador Wilson, who debuted in 2019, has about 206,000 fans, which is relatively small compared with other virtual characters. Therefore, Wilson has certain problems in actual operation and management.

4.1. Customer Groups

First of all, Wilson's appearance is not very attractive to customers. Physical attractiveness plays an important role in influencing customers' purchase intention. The more attractive the virtual idol's appearance, the higher the willingness to buy the brand's products [8]. Comparing with other virtual idols, such as Luo Tian Yi, Hatsune Miku, and Liu Ye Xi., Wilson's appearance is mundane does not meet the current mainstream aesthetic requirements, and cannot attract more attention. The competition within virtual idols is intense, if Wilson wants to stand out from his competitors, he has to at least update his physical traits to compete with them [9].

4.2. Character Context

Wilson's other obvious defect is that he does not have any background story to complement his persona. A character with no distinct characteristic from nowhere and customers knowing nothing about him other than his name and career would only leave a vague impression on customers, so the creation of Wilson does not effectively accelerate the process of brand personification. However, most virtual idols (although they are not the ambassador of a brand) have their unique background story and setting to model their characteristic [10]. Therefore, it would be arduous for Wilson to win more attention from his peers.

4.3. Lack of Social Connection

Watson's team does not fully exploit social media to enhance the personal connection between Wilson and his fans. Wilson's Weibo is used as a tool for Watson to re-post content on Watson's official account. The frequency with which Wilson interacts with his fans in the comments is also low. The last Weibo he sent was in 2022 March, nearly one year. As previously mentioned, the biggest advantage of using AI brand ambassadors is that he or they can fulfill customers' social needs. They can have more interaction with their fans than real celebrities. This advantage would be gradually ruined if Wilson update posts on his social media at this pace [11].

5. Suggestion

Watson needs to adjust their tactics instantly to maximize the value of a virtual brand ambassador. To solve the problem of unattractive appearance and vague persona, Watson should invest more in AI brand ambassadors a new version of Wilson. Wilson should not only be an animate icon of Watson but a real brand ambassador. Also, Wilson's team should realize the importance of social media. They are an easy-approach and convenient platform for Wilson to connect with his fans. They can utilize social media to post some daily content or daily life of Wilson to deepen the personal connection between Wilson and customers [12].

6. Conclusion

In conclusion, virtual idols can serve as powerful marketing tools if businesses can harness their full potential. Utilizing Wilson as Watsons' brand spokesperson is an innovative marketing strategy. It captures the attention of younger demographics, reinforces the brand's identity among audiences, and broadens its customer base. However, this approach is not without its challenges. Creating a vibrant and captivating virtual character that stands out from other virtual idols requires thorough research and development, as well as strategic positioning to foster a strong connection with target audiences. If businesses can successfully navigate these potential obstacles, they stand to gain significantly from employing virtual spokespeople. However, this essay does have several limitations. As it's based on secondary research, it does not include any primary data or market research. The data used in this analysis is not current, which may undermine the validity of the findings to some degree. Furthermore, the essay lacks quantitative data to assess Wilson's performance, precluding any statistical analysis and potentially leading to increased subjectivity. In the future, if specific financial data becomes available, more comprehensive research can be conducted.

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