

# Casper Flags Its Use of Influencers as a Risk

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When Casper launched in 2014, it set out to disrupt the mattress industry. Not only did they change the way mattresses were sold, the company changed the way mattresses were advertised. Among other things, Casper hired celebrities like Kylie Jenner to post pictures of their mattresses on Instagram and other influencers to post “unboxing” videos where they pulled mattresses out of their delivery boxes and tried them out.



Despite Casper’s success using influencers, it apparently sees risks in its marketing strategy. When the company filed for an IPO last week, it warned investors that the “[u]se of social media and influencers may materially and adversely affect our reputation. Influencers with whom we maintain relationships could also engage in behaviors or use their platforms to communicate directly with our customers in a manner that reflects poorly on our brand and may be attributed to us or otherwise adversely affect us.”

We’ve written extensively about some of these risks in previous posts. So far, most of the formal legal actions have involved influencers that failed to disclose their connections to the companies whose products they promote, but that’s only one of the risks companies need to think about. Companies can also be held responsible if influencers make misleading claims about their products. And they can suffer reputational harm if the influencers engage in inappropriate behavior.

If you use influencers to promote your products, you should take steps to guard against these risks. Among other things, you should vet potential influencers before you hire them and ensure you have an agreement that is tailored to the campaign. You should also ensure that you monitor your influencers and that you have systems in place to detect and address problems before they get worse. If you want someone to take a fresh look at how you manage your campaigns, give us a call.