

FINANCIAL SERVICES

Brands should tap into history to reach millennial audience

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Lanvin fall/winter 2014 campaign; multigenerational marketing offers luxury brands an opportunity to expand their audience

By SARAH JONES

NEW YORK Rather than needing to change their story to appeal to younger generations, luxury brands should find the parts of their unique narrative that will resonate with consumers today, according to the founder of family biography service Bind These Words.

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Similarly the way in which financial advisors work to preserve wealth as it transfers, luxury brands should tap into the emotional inheritance between different generations in a family to retain their relevancy as their client base ages. In a panel at Luxury Roundtable: Engaging Gens X, Y & Z on May 3, the historian explained how family stories can ensure that wealth is more carefully looked after by descendants while also helping marketers create a multi-generational appeal for their luxury goods.

"We know what millennials want, but we don't quite understand the why," said Stacy Derby, founder of **Bind These Words**. "And we're just now really seeing the research coming out as to how understanding legacy and roots is impacting consumer behavior.

"So for brands, it's about gaining fluency in this language, being comfortable with your brand history and using that to propel your brand forward, rather than thinking that your brand's history is it old and stodgy and stuffy and people are tired of hearing it or can you identify a new narrative in there that will land and resonate with the younger generations?"

Luxury Daily produced Luxury Roundtable: Engaging Gens X, Y & Z on May 3.

Sharing history

Ms. Derby, a former investment analyst, was inspired to found Bind These Words after compiling a biography for her own family.

As Ms. Derby's former colleague Leann Gaines, marketing manager for enterprise development at **HighTower Advisors**, explained during the session, her services as a family historian reflect challenges that financial advisors are facing. Ms. Gaines is frequently asked how marketing can effectively reach millennials, as well as how wealth

can be preserved to the second and third generations.

About 70 percent of wealth transfers fail, according to a recent report from Brown Brothers Harriman ([see story](#)). On average, about 70 percent of wealth atrophies the first time it changes hands in a family, and by the third generation, 90 percent has disappeared.



Image courtesy of Sentient Jet

The silent and boomer generations are expected to pass \$3.1 trillion to younger consumers by 2031, calling for efforts that reach not only the inheritors but all parties involved to ensure a successful transfer of assets.

When inheritors are aware of the story behind the creation of wealth, they are more apt to handle it with care, guarding it for generations to come. Tapping into family history accomplishes both parents' and grandparents' goals to instill responsibility in their children and grandchildren, while also satiating millennials' interest in learning about their roots as they seek to be part of something greater than themselves.

Beyond wanting to know about where they come from, millennials are also concerned about their own personal legacy and narrative. When they make purchases, they are weighing how that brand fits into the story they are formulating.

Rather than previous generations, millennials are more concerned with substance than status.

Knowing that millennials respond to history and legacy, Ms. Derby urged brands to leverage this in their marketing. Rather than being a hindrance, a lengthy heritage contains some element that will resonate with this audience.

As they crave genuineness, one way to engage millennials is to show how a brand overcame failures or challenges to get where it is today.

Brands can also benefit from loyal consumers in previous generations. If a woman's grandmother favored a particular label, she may then choose it herself to honor that memory, giving brands that chance to gain attention from a new client base without alienating their existing fans.



Dolce & Gabbana's Mini collection

While wealth advisory firms were earlier to address multigenerational marketing, some brands are tapping into this

appeal already. In luxury, Ms. Derby referenced Patek Philippe's tagline "You never actually own a Patek Philippe. You merely look after it for the next generation."

Volkswagen also just released an ad showing a family honoring a late grandfather's wishes as they take a cross-country road trip.

The all-new 2018 Volkswagen Atlas / "America" Commercial

Generation agnostic approach

Rather than reinvention, brands should focus on what makes them relevant to today's luxury consumer.

For instance, Switzerland's Baume & Mercier has promoted its identity as a watchmaker that celebrates life moments with an advertising campaign that debuted in 2014.

The watchmaker's first effort since 2011 aims to keep Baume & Mercier relevant in the eyes of today's affluent consumers without tarnishing its DNA by staying true to its mantra of "Life is about moments." Instead of reinventing itself, Baume & Mercier is relying on timeless imagery that is understood across generations ([see story](#)).

The travel industry has also adapted to inspire bookings for multigenerational vacations.

Starwood Hotels & Resorts' Le Meridien is reimagining play time to "redefine the future of family travel."

The brand has begun to roll out a number of kid-friendly initiatives across global locations that will connect children to culture, art and design. With family and multigenerational travel on the rise, hotels will need to implement far-ranging initiatives to ensure that the grandchildren, the grandparents and those in between are all satisfied ([see story](#)).

"I think it's important to realize that by utilizing history you look at the older generations, the silents and the baby boomers that have traditionally been clients and customers it's reiterating this idea that by honoring their experience with your brand and their experience [that] ties into your history as a brand, linking those two things but showing its relevance for the younger generation gives us that opportunity to create campaigns around those multiple generations," Ms. Derby said.