

MARKETING

Luxury can reach millennials through less-is-more messaging

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Kate Spade fall/winter 2018 campaign. Image credit: Kate Spade

By SARAH JONES

NEW YORK Millennials' sustainability motivations are good news for luxury brands, allowing marketers to stress the idea of buying fewer, higher quality goods.

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According to the "Fountain of Youth: Identifying and Attracting Newly Luxury Facing Customers" panel during Luxury Interactive on Oct. 16, moderated by Divisa president and cofounder Revecka Jallad, one of the attributes that differentiates the millennial age group from prior generations is their desire to buy merchandise that reflects their values, including wellness and environmental friendliness. With consumers tiring of constant consumption, luxury brands can leverage this to stress the importance of investing in their brands.

"I don't think that people want more, more, more, more, more anymore," said Kristen Naiman, senior vice president of creative at [Kate Spade](#). "I think that we've sort of nauseated them with the cycle of more, and that people are looking for things that have some sort of value and longevity.

"And people say they want that, and they don't want to pay for it and that's complicated, but I do think that ultimately the value proposition of the luxury market...is one of longevity, of craftsmanship, of quality, of something that lasts and something that will stay with you," she said. "And I think that not being scared to ask them to buy less, but to buy better quality less...is both good business, it's good for the environment, but it also happens to be good marketing at this point in the game."

Millennial mindset

Compared to the traditional notions of marketing and advertising as being a brand dictating to consumers, today strategies are centered around a two-way dialogue.

Ms. Naiman noted that Kate Spade has a cross-generational audience that ranges from Gen Z to those in the silent generation. Reflecting this, the brand has created a series of films that show women of varying ages together, allowing consumers to see themselves in the spots.

This approach has helped the label reach millennial and Gen Z women, who desire storytelling that is honest,

emotional and relatable to them.

Ms. Naiman noted that the strategy is not as much about retaining a constant consumer, but about being present and engaging with her at key moments of her life. For Kate Spade, this may mean that a customer shops with the brand when she graduates from college or prepares to get married.

Cult Gaia, which rose to prominence thanks to organic posts on social media of its Ark handbag, centers its marketing on product launches, similarly allowing the customer to engage when she wishes to. If a particular style resonates with a customer, the goal is that they will buy, wear and share it with others.

[View this post on Instagram](#)

Nava and the mini Gaia's Ark

A post shared by CULT GAIA (@cultgaia) on Sep 25, 2018 at 10:28am PDT

Instagram post from Cult Gaia

Jenny Oh, chief operating officer of **Cult Gaia**, explained that consumers come to the brand through search, email and social media, but the label's current challenge is to connect the same consumer across channels to get a broader picture of her profile.

With a distillery that dates back more than a century, Belvedere Vodka has found that its history is more of a blessing than a burden in speaking to millennials. Rodney Williams, president and CEO of **Belvedere**, said that this generation is highly interested in the story and providence behind its products.

In many markets, including the U.S., Belvedere does not operate its own retail outlets due to regulations surrounding

the sale of spirits. Instead, the brand relies on experiential marketing to engage consumers.

The brand recently began inviting consumers to visit its distillery in Poland to see how its vodka is made.



Inside Belvedere's distillery. Image credit: LVMH

This experiential approach also stretches to Belvedere's digital strategy, where it seeks to demonstrate the origins of its spirits.

Wei Jiang, president and chief operations officer at **Citcon**, noted that the main difference between traditional and digital channels is the ability to share, allowing a brand's message to travel further via social media.



Moderator Revecka Jallad with Rodney Williams, Kristen Naiman, Jenny Oh and Wei Jiang

Sustainable sales

Younger consumers tend to be more focused on sustainability and the impact of their purchases.

While baby boomers might say that sustainability drives their purchase decisions, Mr. Williams said that they will often choose based on the best deal.

While many question whether brands should comment on social or political issues, research shows that for Generation Z, social justice is the way to their hearts.

In an era where social norms seem to be shifting and important social conversations are at a high, a recent study by DoSomething.org has found that 76 percent of Gen Z consumers have purchased or are open to buying from a brand based on the issues it supports. Many are now even seeking out brands, rather than finding them by happenstance, based on social causes ([see story](#)).

As more consumers become concerned with the health of the planet and additional scientific discoveries about environmental risks are made, sustainability in luxury and business as a whole is no longer optional.

During two panel sessions during Positive Week produced by Positive Luxury moderated by WWD London bureau chief Samantha Conti, the panelists stressed the importance of meeting consumers' demands in luxury, which

means sustainability ([see story](#)).

Both Mr. Williams and Ms. Naiman stated they are hopeful that this mindset will stick with these generations as they age.

Despite showing different behaviors from their parents, Gen Z and millennial consumers have developed refined tastes at a young age thanks to the influence of their Gen Xer and Boomer parents. In the spirits world in particular, Mr. Williams also notes that they are drinking less, opting for savoring better quality liquor rather than bingeing.

"One of the things that makes me feel so optimistic about the future is listening to younger people in research," Mr. Williams said. "You come away really hopeful."

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