

RESEARCH

Environment remains top issue for millennial, Gen Z consumers: Deloitte

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Millennials and Gen Z consumers believe society is at a tipping point on issues including climate change, inequality and discrimination. Image credit: Gucci

By NORA HOWE

Millennials and Gen Z are looking for social and environmental accountability from businesses after a year of political conflict, climate crises, global health threats and racial injustice.

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The **2021 Millennial and Gen Z Survey** by consulting firm **Deloitte** found that young people are channeling their energy towards meaningful action by increasing political involvement, aligning spending and career choices with their values and driving change on societal issues that matter to them. In turn, these generations expect institutions such as businesses and governments to do more.

"In the 10 years Deloitte has been conducting the Millennial Survey, millennials and Gen Zs' lives have changed, but their values have remained steadfast," said Michele Parmelee, global deputy CEO and chief people and purpose officer at Deloitte, in a statement. "They have sustained their idealism, their desire for a better world, and their belief that business can and should do more to help society."

The 2021 report solicited the views of 14,655 millennial and 8,273 Gen Z respondents from 45 countries across North America, Latin America, Europe, the Middle East, Africa and Asia Pacific. The survey was conducted using an online, self-complete-style interview, and fieldwork was completed between January and February of this year.

Millennials included in the study were born between January 1983 and December 1994. Generation Z respondents were born between January 1995 and December 2003.

Agents of change

Climate change and protecting the environment is the top personal concern among Gen Z respondents, as was the case for millennials last year.

Despite a year when the global pandemic threatened health, family welfare and career opportunities, the continued emphasis on environmental issues demonstrates how important it is for younger generations.

More than a third, 37 percent, of millennials and 40 percent of Gen Zs believe that more people will commit to taking

action on environmental and climate issues after the pandemic, which could include anything from recycling more and using public transportation to changing their eating or shopping habits.

Additionally, more than a quarter of respondents say businesses' impact on the environment has influenced their buying decision. However, nearly 60 percent of millennials and Gen Zs fear business' commitment to helping combat climate change will be less of a priority as business leaders reckon with challenges brought on by the pandemic.

Considering these concerns and lack of confidence from consumers, some luxury brands have become more transparent about their environmental efforts, such as LVMH with its ongoing Life 360 strategy ([see story](#)).

Italian fashion house Gucci recently announced it hit its environmental impact reduction target, according to its inaugural Impact Report on [Equilibrium.Gucci.com](#). The brand has already surpassed its 2025 reduction target four years ahead of schedule, with a 44 percent reduction in total environmental impacts and a 47 percent decrease in greenhouse gas emissions ([see story](#)).

Selfridges employees share how the company has implemented change and what it can still do

Six in 10 Gen Zs and 56 percent of millennials say systemic racism is widespread in general society. However, after the murder of George Floyd in May 2020, the past year has prioritized the issue of racial discrimination in a way that 55 percent of all survey respondents believe society is at a point where it could start seeing real change moving forward.

At least one in five respondents say they feel personally discriminated against "all of the time" or frequently because of an aspect of their backgrounds. Additionally, 25 percent feel they have experienced discrimination by their governments, and nearly the same number feel they have been targeted on social media.

Thirty-four percent of millennials and 38 percent of Gen Zs believe racism in the workplace is systemic.

Because discrimination can become embedded in organizations over time, three in five respondents agree that positive change will only come from the top down. Yet, they do not believe institutions are living up to their potential.

When asked to rank who is making the greatest effort to reduce systemic racism, individuals and activists topped the list ahead of education systems, the legal system and governments. Businesses and business leaders were ranked last.

To fill the void left by institutions, millennials and Gen Zs are taking change into their own hands. Respondents say they are educating others, sharing informational content on social platforms, voting for progressive politicians and boycotting businesses and brands that do not share their values on the topic of discrimination.

The pandemic has also heightened millennials and Gen Zs's uncertainty about their financial futures. Two-thirds of all respondents say they "often worry or get stressed" about their financial situations.

Only 36 percent of millennials and 40 percent of Gen Zs believe their personal financial situations will improve by 2022.

While personal financial concerns increasingly are on their minds, so is wealth inequality as a larger societal issue. Sixty-nine percent of millennials and 60 percent of Gen Zs surveyed think wealth and income is distributed unequally throughout society.

Nearly a third voted for or otherwise supported politicians who want to reduce income inequality. Roughly 60 percent of respondents say legislation to limit the gap in rewards between senior executives and average employees would significantly help, as would legislation that requires businesses to pay workers at least the minimum required to live on.

Continuing a steady decline over the last few years, less than half of millennials and Gen Zs at 47 and 48 percent, respectively think business is having a positive impact on society, dropping nearly 30 points since 2017.



Approximately 40 percent of millennials and Gen Z respondents do not feel their employers have done enough to support their mental well-being during the pandemic. Image credit: Getty

Job loyalty also slipped a bit from last year's record high, as more millennials and Gen Zs would, if given the opportunity, leave their current employers within two years 36 percent and 53 percent, respectively while about the same say they plan to stay at least five years.

Almost half of millennials and Gen Zs 44 percent and 49 percent, respectively say they have made choices over the type of work they are prepared to do and the organizations they are willing to work for based on their personal ethics over the past two years.

Mental health awareness

The COVID-19 pandemic has brought stress to the forefront of social consciousness, as 41 percent of millennials and 46 percent of Gen Zs feel stressed all or most of the time. Finances, family welfare and job prospects have been the main stress drivers among these groups.

At the beginning of the global pandemic, the Saks Fifth Avenue Foundation made a \$600,000 emergency grant to support patient care and offer funding to charitable partners as they tackle mental health needs in response to COVID-19 ([see story](#)).

Nearly a third of all survey respondents, 31 percent of millennials and 35 percent of Gen Zs, have taken time off work due to stress and anxiety caused by the pandemic. However, nearly half of this group gave their employer a different reason for their absence, likely due to a continuing stigma around mental health in the workplace.

Businesses are actively finding their footing in terms of how and what to offer their employees in regards to mental health programs and benefits.

Brands including Krug, Mot Hennessy Diageo, Veuve Clicquot, Christian Dior Couture, Parfums Christian Dior, TAG Heuer and Zenith operate telephone helplines and psychological support units. Louis Vuitton gauges the mental health of its employees through questionnaires, monitoring systems and dedicated working groups ([see story](#)).

According to Deloitte, only 38 percent of millennials and 35 percent of Gen Zs have felt comfortable enough to speak openly with their supervisors about the stress they are feeling. Approximately 40 percent say their employers have done a poor job supporting their mental health during the pandemic.

"Fostering open and inclusive workplaces where people feel comfortable speaking up about stress, anxiety, or other mental health challenges they are experiencing is critical," Ms. Parmelee said. "Employers have a responsibility to create a work environment that supports employees' mental health and well-being and allows them to thrive."