



Insights: Perspectives

5 Key Takeaways | Brand Meaning and Valuation in the Age of Millennial and Gen Z Consumerism

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5 KEY TAKEAWAYS

Brand Meaning and Valuation in the Age of Millennial & Gen Z Consumerism

On May 19th at the [141st INTA Annual Meeting in Boston](#), [Marc Lieberstein](#), Kilpatrick Townsend's Brand Licensing and Franchising Partner, presented and moderated a panel entitled ***Brand Meaning and Valuation in the Age of Millennial & Gen Z Consumerism***. Marc's panel was comprised of **Carol Gstalder**, a brand, reputation and marketing strategist from Heart + Mind Strategies, LLC; **Andrea Gersosa**, Founder and Chief Thinker at ThinkYoung; **David Haas**, Managing Director at Stout Risius Ross, LLC; and **Collette Parris**, Senior Corporate Counsel at S'well Bottle Company.

The panel discussed timely and important issues for brands, namely how brands can remain relevant among the thousands of daily messages being pushed to their target audience; the importance of brand personalization and consistency; the impact on brand fame, ownership, and genericide with the rise of social media; mitigating risks to brand value; and the increasingly important role of corporate social responsibility (CSR) in building and maintaining a relevant brand reputation and value, and use of CSR to engage with millennial and Generation Z consumers.

Here are 5 key takeaways from the program:

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Millennial consumers (born between 1980-1996) focus on experiential shopping, conduct research before most purchases, and prefer brands that share their values. Gen Z consumers (born between 1997 and 2010s) are focused on saving money, heavily impacted by social media/influencers, have no need for brick and mortar stores, are ok with second hand products, and prefer brands that feel authentic. Gen Z consumers already make up 30% of the world population.

Millennial and Gen Z consumers share increased societal expectations. CSR is increasingly playing a crucial role in brand value and meaning to these consumers who are researching whether brands are participating in CSR before making their purchasing or employment decisions. CSR is a business approach that contributes to sustainable developments by delivering economic, social, and environmental benefits for all. Brands that participate in CSR see stronger market performance, increased goodwill, consumer loyalty, and stronger retention and attraction of top talent.

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Brand value can be calculated in several ways – *cost approach* which looks at spending/cost of replacement; *market approach* which looks at comparable transactions in the marketplace; and *income approach* which looks at revenue and projected cash flows. There are many factors that impact brand value, such as expected future cash flows attributable to a brand; recognition of a brand; advertising/promotion; CSR initiatives; social media and other online/e-commerce activity; and stakeholder perceptions and behaviors. Google and Twitter analytics are good sources of information to track marketplace and consumer behavior, brand transactions, and brand recognition.

Millennial and Gen Z consumers will pay more for brands that are participating in CSR. 66% of global consumers are willing to pay more for brands committed to positive social and environmental impact. Millennials are leading the charge with Gen Z right behind them – consumers under the age of 34 continue to be the most willing to pay extra for sustainable offerings, in fact globally almost 3 out of 4 respondents are willing to do so.

42% of global consumers want more new products in the market that are socially responsible and environmentally friendly. These statistics come from a Nielsen survey conducted in 2015 of 30,000 consumers across 60 countries. Indeed, some corporations are now becoming, or considering to become, “B Corporations.” B Corporations have to meet the highest standards of verified social and environmental performance, public transparency, and legal accountability, and aspire to use the power of markets to solve social and environmental problems. To learn more about B Corporations, please visit: <https://www.bcorporation.net/>.

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Whether it is CSR or co-branding, brand owners should be aware that legal risks are still present even when doing good to generate brand value and meaning to millennial and Gen Z consumers. Careful attention should be placed on building strong compliance programs that track local laws and industry regulations; knowing your supply chain (up and down the chain) and assessing potential risks for non-compliance; making sure you have strong enforceable contractual terms for vendors, licensees, distributors, manufacturers, and suppliers; and confirming you have trademark and other intellectual property protection in the jurisdictions where you are making, selling, and advertising your branded products.

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