

SPECIAL
REPORT



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OH BABY! THE INFLUENCE OF THE MILLENNIAL MOM

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The *Influence* of the Millennial Mom

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by BIBI WARDAK

MUCH HAS BEEN written—both favorable and unfavorable—about the generation of adults known as Millennials. Born between 1981 and 1996, Millennials have defined their own social mores, cultural preferences and purchasing behaviors, taking several turns off the beaten path from the generations that preceded them, including Generation X and Baby Boomers.

Though Millennials are giving birth to a new technology-savvy generation, Generation Alpha, who have proven to influence purchasing decisions (albeit at the ripe old age of 2, in some cases), products in the baby/infant category are primarily purchased by Millennial parents, particularly, Millennial mothers.

Before developing and marketing licensed product in the baby/infant category, brands should arm themselves with insight about the Millennial mom and her nuanced, evolving purchasing patterns.

According to the 2018 LIMA Annual Global Licensing Industry Survey, the infant product category, which spans layette sets, diapers, infant apparel, baby care products and more, accounted for \$5.3 billion of all global retail sales of licensed merchandise in 2017, a 7.3 percent increase year-over-year from 2016. The survey also found that the infant category was the fastest-growing product category, as more licensors are looking to exploit the industry growth in the baby sector. The Smiley Company is one such brand excelling in the infant category, with its infantwear licensees



reporting growth of more than 220 percent since 2016. Smiley attributes much of this success to its strategy targeting Millennial moms through aspirational and on-trend products that carry its inspirational, positive message.

Orchestra, a leading retailer for babies in France and Belgium, sold nearly 2 million units of Smiley products in 2018 and have grown its business with the company by 152 percent since 2017, according to Smiley. Moschino, Original Marines, Sabor and Bug in Spain are also experiencing major sales wins and notable growth with Smiley in the baby/infant segment.

"Millennial mums are a huge focus for us as a business right now, and as a brand, I think we are well aligned with what they want from their infant products and the values they want these products to represent," says Nicolas Loufrani, chief executive officer, The Smiley Company.

According to Loufrani, Smiley conducted extensive research on mothers of babies ages 0-3, finding that they tend to associate licensed baby products with loud colors, busy patterns and high prices—when, in contrast, what they prefer to purchase are comfortable, soft and practical products that "allow baby to be baby."

"We found that parents are more likely to introduce licensed product if it helps their

child take on positive habits like brushing their teeth or eating more healthily," adds Loufrani.

Smiley has implemented insight-based decision-making to develop its new collection called Smiley Baby and to introduce new seasonal style guides and specific baby Smiley characters to complement the nurturing stages of parenthood.

Earning the trust of Millennial parents is a vital ingredient in the recipe for achieving success in the baby category.

"I think Smiley works so well in this segment because mums and dads have grown up with us as a lifestyle brand and pop culture icon," says Loufrani. "Our brand values of happiness and positivity really resonates with new parents, who trust Smiley as a

brand that ensures its partners conform to creating products to the highest ethical and quality standards."

Spin Master's GUND, which makes toys and baby products, also recognizes the importance of leveraging brand trust to win over Millennial parents.

"GUND has an exceptional reputation rooted in quality product and cherished memories that last a lifetime," says Lauren DeFeo Duchene, global business unit lead, GUND. "We know that mothers have a certain level of expectation when it comes to purchasing products for their babies. With such a saturated market, we recognize the importance of staying abreast of consumer trends and purchasing behaviors. We continuously work with internal and external market researchers to understand and implement consumer feedback throughout the product-development process. At the end of the day, it's the mother's trust and admiration for our products and brand we are going after."

And, according to Duchene, partnering with other trusted brands further ensures success.

"We have a great partnership with classic brands in the baby/infant space, like *Peter Rabbit* and *Beatrix Potter*," says Duchene. "Brands like *Peter Rabbit* are trusted by parents today and become staples in the lives of many infants and young children. We're also always on the lookout for new trends in the baby space and relevant partnerships that may develop



out of those trends.”

Deep levels of market research support the notion that trust is pivotal in sealing the deal with Millennial parents.

“This generation of Millennial parents will scrutinize products in far more detail, meaning that licensed products need to be greater than the sum of both parts,” says Nick Richardson, chief executive officer, The Insights People. “Authenticity is key here as parents not only expect integrity but, in fact, demand it, so there needs to be a credible reason for the collaboration, and both parties need to be aligned from a values and quality perspective.”

The Insights People surveys more than 10,000 expecting and new parents in the U.K. every year through its Parents Insights service. According to Richardson, in order for brands to flourish in the licensed baby product category, they will need to ensure safety to appeal to the well-informed Millennial parent.

“We are increasingly being asked by clients to investigate issues surrounding safety, quality and counterfeit products,” says Richardson. “Parents are buying products from a multitude of websites, and many of them are unaware of the potential risks. Our data is telling us that brands and licensees will increasingly need to ensure mechanisms for proper checks and trusted guidance are in place.”

In the U.K., much like in the U.S., brands should also market to Millennial fathers and strongly consider the unique financial limitations that this specific generation of parents faces.

“We can see from our data how the socio-demographic profiles of parents have evolved drastically in recent years,” adds Richardson. “In the U.K., we are seeing a significant increase in families living in rental property in urban areas, and how ‘Generation Rent’ are spending more on experiences rather than products; and whilst mum is still very much the CEO of the house, dads are having an increasingly involved role in parenting.”

Recognizing the nuances of this diverse segment has proven to be a major success for GUND.

“The most important factor we have learned when marketing to Millennial parents is that one size does not fit all,” says Duchene. “Today’s parents are more diverse than ever before and are having children much later in life

when they are more settled into their careers with larger disposable incomes. They are deeply engaged in the digital world, so making connections and building an emotional relationship is key.

“Millennial parents are heavily influenced by what they see online, whether it be from their peers, celebrities they admire or brands they follow; therefore, it is important to make authentic connections that make them feel empowered, ultimately igniting their own authentic advocacy for your brand,” adds Duchene. “Social media is a key channel for brand-building, and, therefore, having a strong social presence that can emotionally connect to parents will result in greater returns. We’ve experienced great success and continued growth with our GUND social media channels.”

Social media has been instrumental in catapulting GUND products such as the Baby GUND Animated Flappy the Elephant.

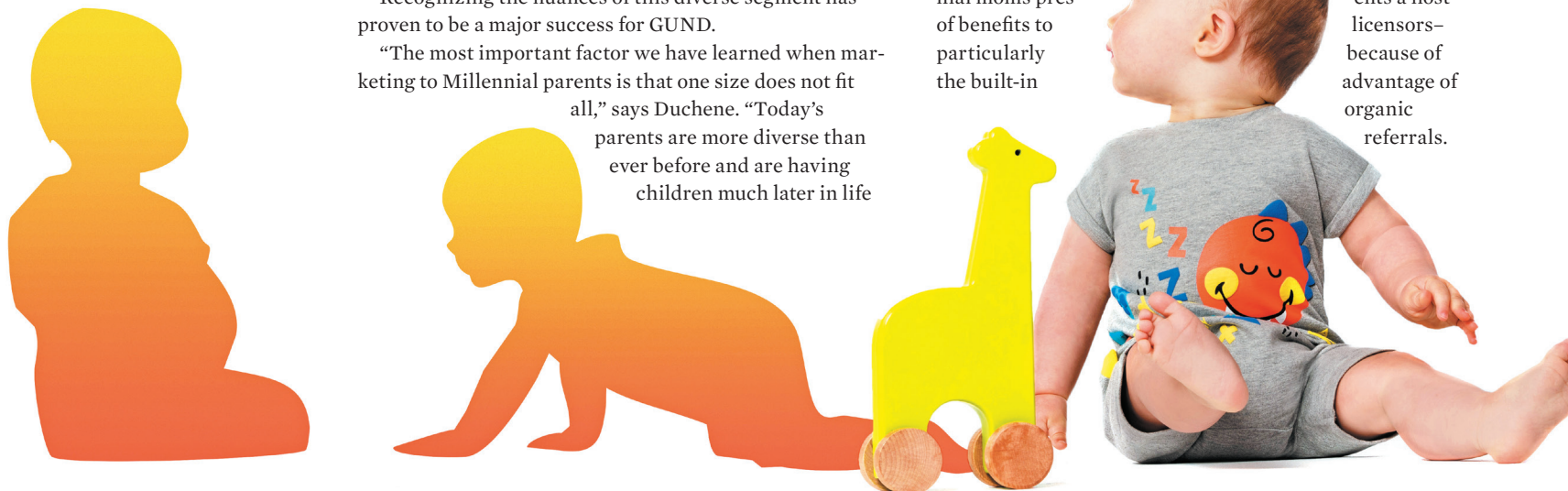
“With the importance of social media among Millennials today, we’re seeing great success in interactive toys for baby, like the Baby GUND Animated Flappy the Elephant,” says Duchene. “Flappy is so engaging for baby, bringing smiles and laughter, allowing the creation of videos and photos that are easy and fun for mom and dad to share via social media.”

Even reality TV star Khloe Kardashian has one for her daughter and has shared a video of the product with fans who follow her on social media.

Commercials and advertisements with anonymous actors pushing infant products may have sufficed in the past. But today, authentic mommy-to-mommy referrals are, arguably, the most effective way to instill trust in the consumer and to stimulate Millennial moms to pull the trigger and complete a sale.

In 2019 and beyond, baby/infant and marketing it nial moms pres-of benefits to particularly the built-in

developing a product line to Millennials a host of licensors—because of advantage of organic referrals.



“Millennial moms are spreading information on a wide range of products and services,” according to Digital Women Influencers: Millennial Moms, a study by global communications firm Weber Shandwick in partnership with KRC Research. “Nine in 10 or more of them are sharing information about apparel, retail stores and groceries/food and beverages.”

According to the report, Millennial moms are decision-influencers who regularly dole out product recommendations to their peers and “cite themselves as key advisors among their circle of friends.” The report found that Millennial moms asked for a product recommendation an average of 9.6 times per month, compared to 6.3 times per month for moms overall. A whopping 74 percent of Millennial moms report that they are sought out more often than their other friends as advisors on a wide range of topics.

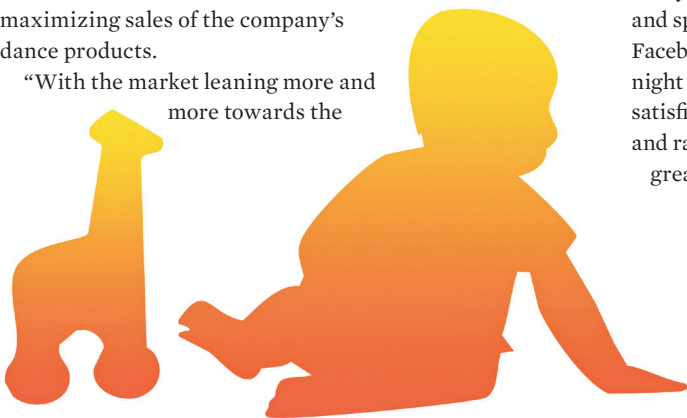
“You could argue that this generation of parents are no longer simply a consumer but, in many ways, they are also a media channel in their own right,” says Nick Richardson, The Insights People. “If we accept the phrase, ‘It takes a village to raise a child,’ then being ‘constantly connected’ allows parents to access their ‘village’ of trusted family and friends 24/7 and anywhere in the world; educating and influencing their own unique audiences on a local, national and international basis in a way that was previously not possible.”

Social media adds tremendous weight to the group’s influencing behavior. Millennial moms have 3.4 social media accounts on average and spend an average of 17.4 hours per week on their social accounts, nearly four hours more than the average mom spends on social networks, according to the Weber Shandwick report.

“We are finding an upswing, particularly in social media, which is actually having a positive effect on sales,” says Mark Prospero, international licensing representative, Capezio. “Baby, toddler and adult tutus, leotards, point shoes and our athletic lines are all experiencing growth.”

For Capezio, catering to Millennial parents’ preference for comfort and leveraging the segment’s word-of-mouth and social media referrals is essential to maximizing sales of the company’s dance products.

“With the market leaning more and more towards the



comfort and versatility of athleisure, our marketing strategy is to convey our roots in comfort, movement, edgy style and active lifestyle to Millennial parents who are devoted to or have yet to discover the brand, through our massive organic and purposed online/social media presence, word of mouth and branding exercises, which coupled with the fact that our product appeals to both Millennial parents and their children—it is an opportune time for a multigenerational brand like Capezio,” says Prospero.

There’s no doubt about it. The stakes are high, and if brands want to penetrate the baby/infant category and cultivate tangible sales wins, they’re going to have to level up.

“This generation of super-informed parents (and children) are far more demanding, and there is increased expectation from licensed products,” says Richardson. “We are seeing brands that share similar values with their audience and are strategically aligned, becoming well placed for future success.”

The slam-dunk recipe for success selling licensed product in the baby/infant segment involves brand trust, brand authenticity and effectively catering to the needs of the financially-conscious Millennial parent in such a way that your product’s stellar reputation precedes itself and spreads like wildfire across a Millennial mom’s Facebook page, Instagram account or at a social night out with like-minded moms, where a satisfied customer might just rant and rave about your brand’s latest, greatest baby product. ©

