

Picture this: Your brand takes a stand, then backs away when the wind changes. Who's really paying attention? In 2025, the answer is: *everyone*.

Diversity, Equity, and Inclusion aren't just marketing buzzwords. When brands go silent on their values, customers notice and take their business elsewhere.

Rebuilding trust after a values misstep isn't just difficult—it's often impossible. The internet doesn't forget, and neither do your customers. For brand managers, CMOs, and CX leaders, the message is clear: **brand values must be more than a slogan.** They must be a strategy.

What's At Stake: Values, Dollars, and Salience

Modern consumers vote with their wallets—and their values.

Consider these stats from the <u>Collage Group</u>: almost half (49%) of consumers agree with the statement, "I am more likely to consider purchasing a brand that supports causes I care about."

This sentiment is even stronger among diverse sub-groups of consumers:

- Black: 56%
- Hispanic: 57%
- **LGBTQIA+:** 71%

A majority of Black (55%), Hispanic (54%), and LGBTQ+ (73%) consumers are more likely to consider brands that support diversity and inclusion, compared to just 36% of white consumers.

Why does this matter?

Right now, companies face a powerful tension: the disconnect between short-term decisionmaking (often driven by economic or political pressures) and consumers' long-term memory and values.

And there are *trillions* of dollars at stake:

- Black consumers: \$2.1 trillion in buying power by 2026
- Hispanic: \$2.8 trillion
- LGBTQIA+: \$1.4 trillion

Combined, more than 65% of purchasing power comes from communities that expect brands to stand for something.

Consumers remember when brands take a public stance on politically and socially charged issues. They remember when companies make promises about their brand values and whether they stand firm in the face of opposition or walk it back when things get uncomfortable.

In an age of infinite receipts and internet archives, brand memory isn't a luxury—it's a survival skill.

To be clear, this is not about which side is "right" or "wrong," but rather about the *consequences* of sticking to—or abandoning—core values.

And with the rise of Gen Z consumers set to reach \$12 trillion globally by 2030, **decisions made by** brands now may well impact their future growth potential.

Pulling Back on DEI Costs Brands Customers, Especially Among Gen Z Adults

% of US adults who stopped using/purchasing from brands over DEI approaches, by generation and reason, March 2025

	Gen Z adults (18-28)	Millennials (29-44)		Baby boomers (61-79)	Total
Contradicted/reversed DEI efforts	40%	21%	14%	9 %	19%
Did not seem genuine	32%	18%	19%	12%	19%
Did not align with my personal beliefs	27%	24%	24%	29%	26%
None of these	27%	50%	52%	61%	49%
Source: Ad Age and The Harris Poll surv	vey as cited	in company b	log, April i	7, 2025	
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Young Consumers Abandon Brands that Pull Back on DEI

40% of Gen Zers, and 19% of all consumers, have stopped using or purchasing from brands that contradicted or reversed DEI efforts.

Over half (53%) of Gen Z, and 36% of the general population, have, are, or will participate in an economic boycott.

40% of CMOs worldwide think DEI is an important part of what their brand stands for, according to NielsenIQ and GfK

These aren't niche segments. They're the future of the market—and they expect brands to align with their values and show up consistently. When companies get that wrong, the financial consequences are swift and severe.

Why Values Get Lost in the Corporate Shuffle

Companies are under pressure to innovate and deliver short-term results. Long-term commitments—like brand values—can get lost in that churn.

- CMOs and brand managers last an average of 18 months
- Priorities shift. Budgets shrink. Agencies come and go.
- Transformation projects get hyped, then gather dust.

But here's the problem: your customers—and the internet—never forget. When brands quietly abandon a policy, a promise, or a purpose, the backlash often arrives louder, faster, and more publicly than the original announcement.

When Brands Get It Wrong

Bud Light: Trying to Please Everyone—and Losing Everyone

In April 2023, **Bud Light** partnered with transgender influencer Dylan Mulvaney on a limited social campaign. What followed was a cultural firestorm.

Conservative backlash was swift—boycotts, calls for leadership resignations, and viral condemnations. But Bud Light's next move made things worse: rather than standing by the campaign or clearly defending its intent, the brand issued non-committal statements and pulled back from visible support.

The result?

- Sales dropped 26% year-over-year in the U.S.
- Bud Light lost its position as America's top-selling beer.
- Parent company Anheuser-Busch saw **\$27 billion in market value erased** in just a few months.
- The brand was booed at public events and mocked in the media.

By trying to avoid alienating anyone, Bud Light alienated nearly everyone. Consumers saw the reversal as performative, corporate, and gutless.

Lesson: When you waffle on your values, it's not a neutral act—it's a credibility crisis. In 2025, brand trust is too fragile for half-commitments.

Target: Standing Tall, Then Shrinking Back

Since 2016, Target has been a model for visible DEI leadership—investing in supplier diversity, supporting Black communities, and expanding LGBTQ+ representation. The results were real: \$1 billion in procurement from diverse-owned businesses, a stronger supply chain, and a broader customer base.

But when backlash erupted in 2023 over Pride merchandise, Target tried to split the difference removing displays in some stores, citing safety concerns. That move drew fire from both sides:

- Conservatives: "Too woke"
- LGBTQ+ & allies: "Not standing by your values"

By 2025, Target took an even bigger step back—rolling out a "neutrality" policy and dialing down DEI efforts.

The fallout was swift:

- National boycotts, led by Rev. Dr. Jamal Bryant
- Store traffic plummeting
- Stock at a 4-year low
- Investors suing, alleging DEI rollbacks increased risk

Lesson: Once values are part of your brand, abandoning them isn't just a tactical shift. It's a breach of trust—with immediate financial and reputational consequences.

Brands That Remember—and Win

Not every brand flinches under pressure. Some hold their ground—and are rewarded for it.

Marriott: Standing Firm Under Pressure

When the Trump administration called for eliminating DEI initiatives, Marriott's CEO, <u>Anthony</u> <u>Capuano</u>, faced a choice. He doubled down:

"Political winds blow all different directions...But there are some fundamental truths about this company...We welcome all to our hotels, and we create opportunities for all—and fundamentally, those will never change."

— Anthony Capuano

Within 24 hours, more than 40,000 Marriott associates emailed Capuano their appreciation.

Result: Strengthened loyalty, stronger culture, and a brand seen as principled, not performative.

Costco: Values as Strategy, Not Slogan

Costco's approach: Take care of employees, put customers first, never compromise on values.

- 98% of shareholders recently voted *against* a proposal questioning Costco's DEI commitment.
- The board replied: "Our commitment to an enterprise rooted in respect and inclusion is appropriate and necessary."

Result: Consistent customer loyalty, high employee retention, and an operating model that proves values are good business.

Where Brand Meets Reality: Customer Experience

Brand values don't live on websites—they live in customer experience. Every interaction either reinforces trust or erodes it. When marketing promises one thing and front-line actions deliver another, trust dissolves.

CX and brand strategy must be aligned. Treating them as separate functions leads to inconsistent execution, internal confusion, and external skepticism.

Inconsistent experience = broken brand.

Five Ways to Protect—and Prove—Your Brand Values

- Codify your values. Embed them into onboarding, operations, and decision-making—not just taglines.
- 2. Audit regularly. Ask: Do our actions, partnerships, and policies reflect what we say we believe?
- 3. **Build brand memory.** Appoint "brand historians" who document value commitments and hold teams accountable over time.
- 4. **Unify CX and brand management.** Customers don't distinguish between departments—neither should you.
- 5. **Be honest when evolving.** If values shift, communicate why. Don't erase the past—honor it and explain what's changed.

Final Word: Stand for Something or Stand Aside

In an era defined by receipts, screenshots, and real-time public judgment, there's no room for "neutral."

Brands that waver on their values risk alienating everyone—supporters, critics, employees, and investors.

The ones that win? They stand firm, act with integrity, and show up consistently across every channel, team, and touchpoint.

Because customers never forget when you stood by your values. And they never forgive when you forget.

Your values are your brand. Protect them. Prove them. Or prepare to pay the price.

Not sure how to protect your brand values in an ever-changing world? Let's Talk!

About the Author

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