

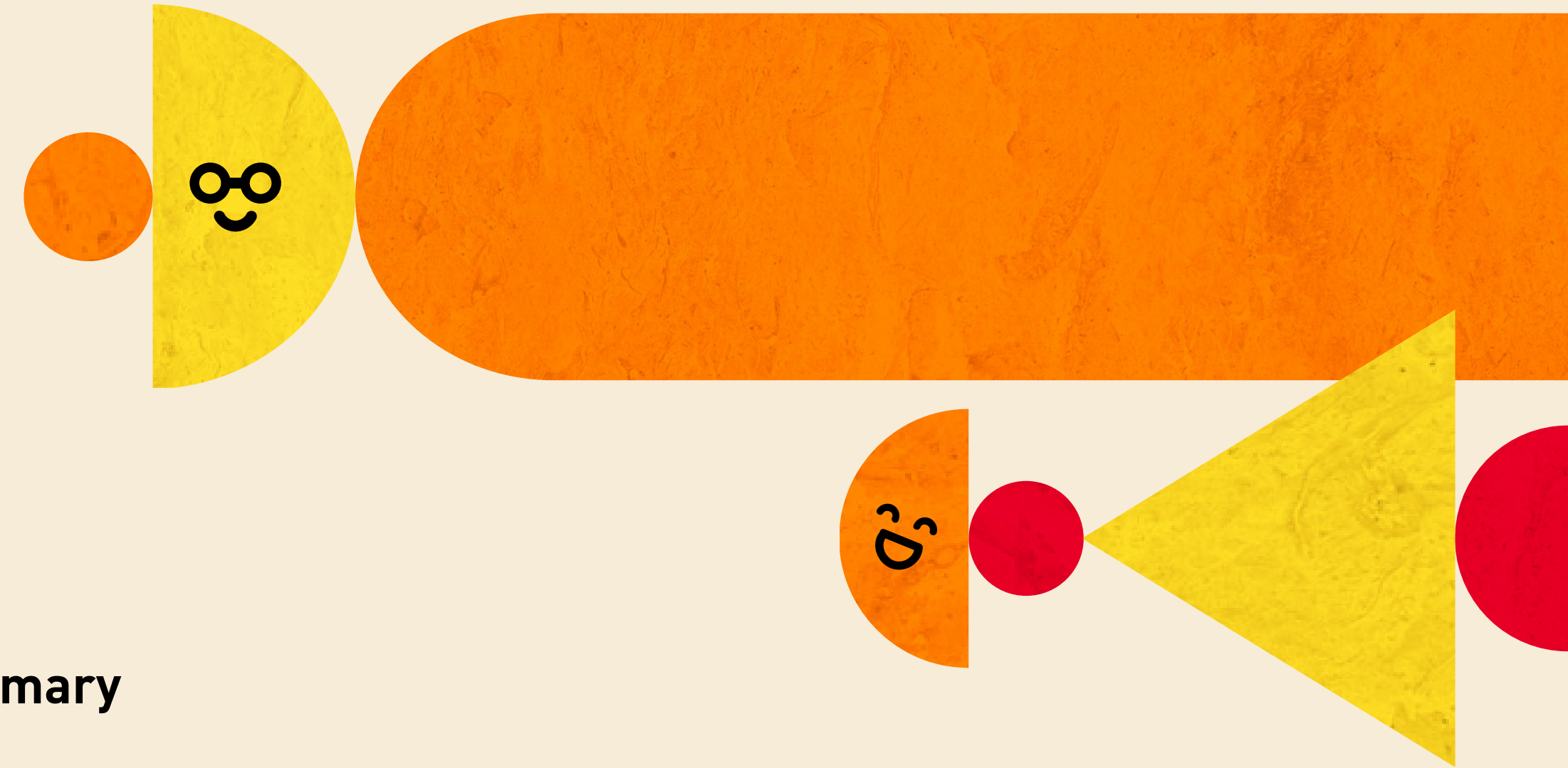
STANDING UP FOR

DIVERSITY- THE BRAND
INCLUSION GAP



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Introduction and Exec Summary

For those of you who know us well, you'll know that the RAPP Brand Purpose is to Stand up for Individuality. And that lives on two levels for us:

- The first is that we don't believe in, "one size fits all", marketing. We believe in individualisation- in being truly relevant to the individual, even down to a personality level.
- The second is that we hire based on the individual. We don't want everyone to be the same. We encourage people to bring their whole selves to work and embrace and celebrate their differences, their experiences and their eccentricities.

But doing both of those things has got even more complex over the last couple of years.

In the world of marketing, there have been some incredibly significant strides ahead but also mistakes made, and many that could have been avoided. So that's why we embarked on this significant proactive piece of work.

Our research revealed what we call the Brand Inclusion Gap – the difference between the advancements in DE&I that brands are making, and consumer expectations. Because nearly 80% of consumers think it's important that brands are diverse and inclusive in their comms.

But, the research found also that when brands get Diversity, Equity & Inclusion (DE&I) wrong, they risk a decline in sales of over 25%. So, this is critical.

To make it happen, we partnered with Material+, a global insights company we have been working with for many years. We believe they have the most robust and human-centric approach to research, so they were our first choice as partners.

We conducted a four-part study:

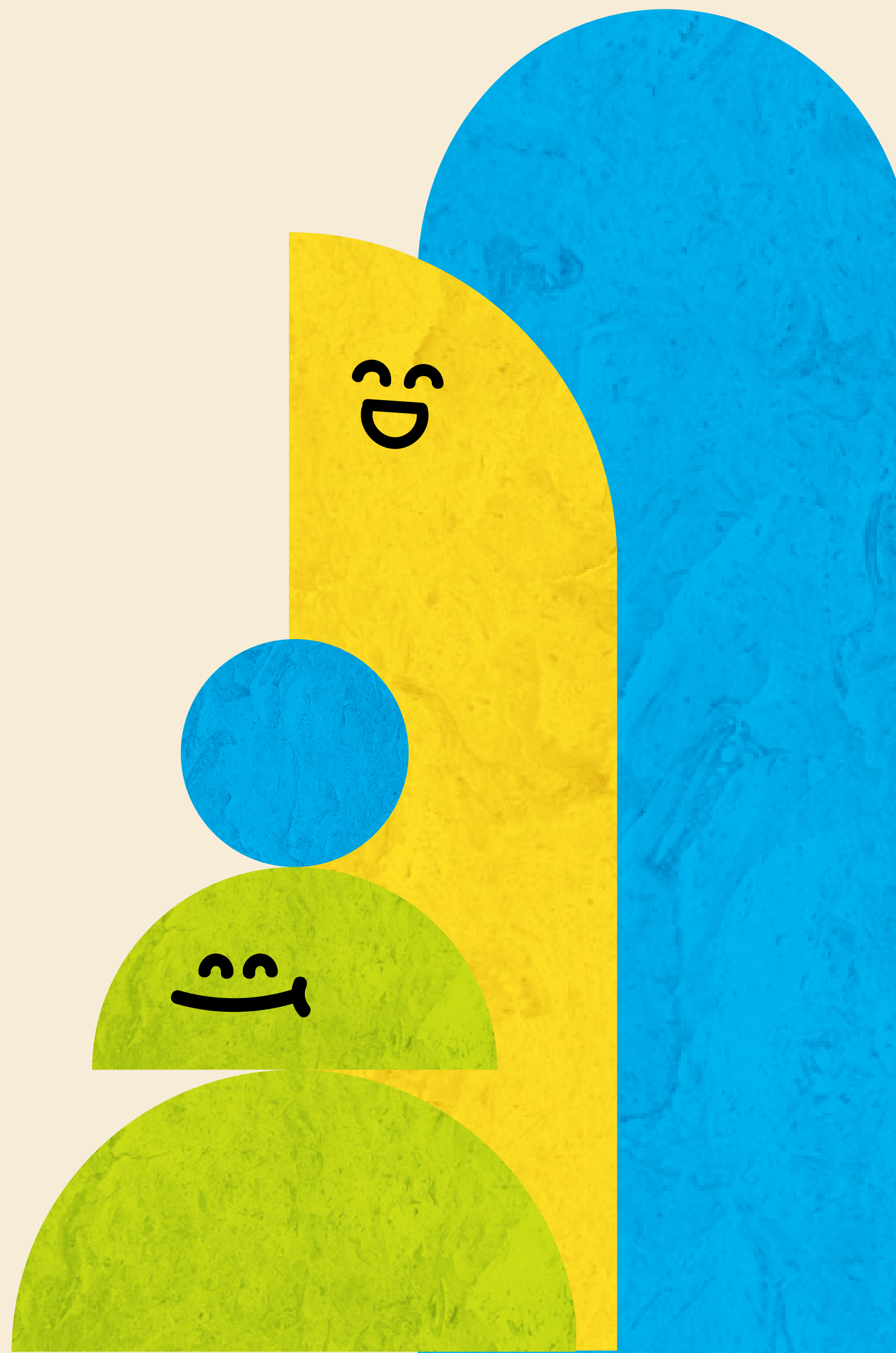
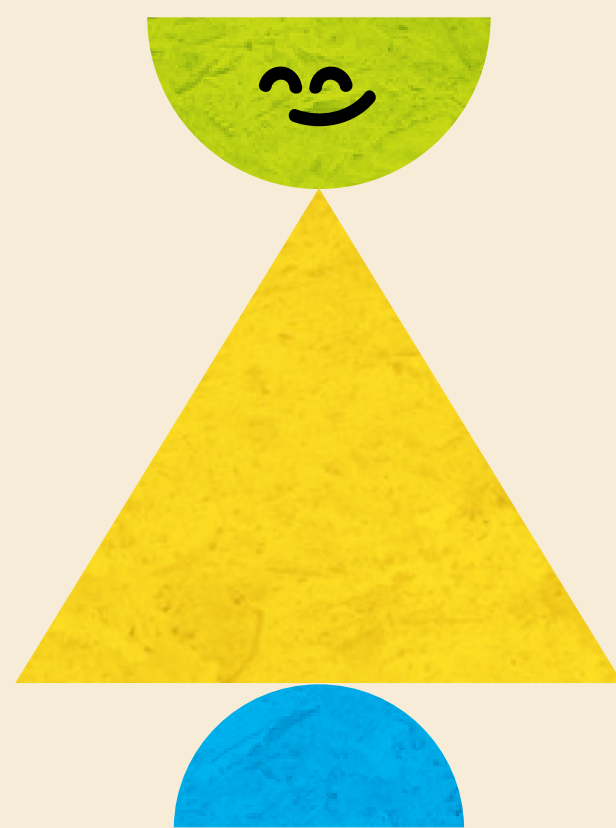
1. Qualitative, in-depth interviews with individuals from marginalised groups.

2. A robust quantitative survey of 1500 UK adults, with representation from marginalised and non-marginalised groups.

3. A review of academic research over the last 10 years in this field.

4. A cultural analysis using our proprietary AI tool, Q™

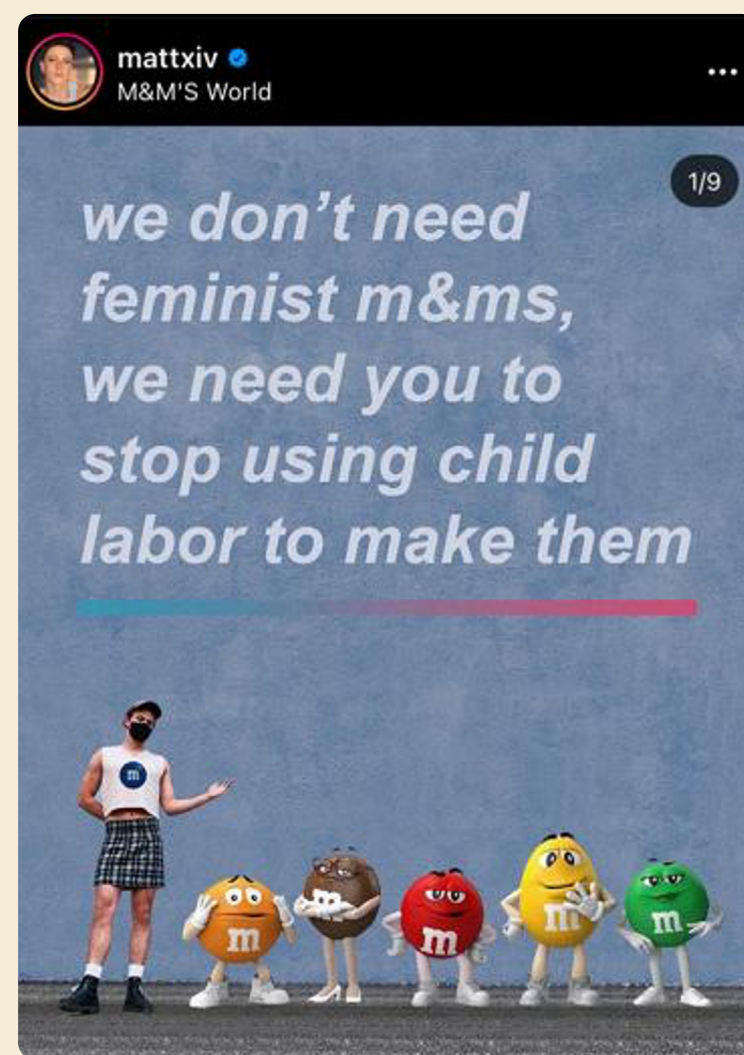
We acknowledge that there's a lot to get wrong, but there is even more to get right: the opportunity to grow our brand reach and resonance but also do good in the world. That's what we hope you'll take out of this paper. Let's Stand up for Diversity together.



Why does being inclusive matter?

What the academic literature tells us

Brands' attempts at being diverse and inclusive can often unintentionally backfire. When Mars attempted to desexualise the green M&M (replacing the gogo boots with sneakers) to update their image, they inadvertently implied that "respectable" women cannot have strong sex appeal. Consumers responded with derision on social media. The problem was that they didn't think through how their action could be interpreted; or what they could do to support women beyond a fictional character's redesign. London Dungeon fell into the same trap when they renamed Jack the Ripper "Jackie the Ripper" for International Women's Day.



So why should we make the effort to be inclusive in marketing?

Brands may worry about being in the minority of those acting for inclusion, but the tide has turned: ads that attracted "woke" criticism from social media trolls, like Sainsbury's 2020 "Gravy Song" Christmas ad featuring a black family, have been supported by louder inclusivity-driven voices - and the brands benefit overall. Diversity expert, Professor Collette Eccleston, conducted a retrospective review of the academic research as part of this study. She concluded that brand and media representation really does matter, from both a moral and societal perspective, to brand affinity and consideration.



Professor Collette Eccleston

Media shapes attitudes by implicitly informing us about values and norms¹. People are likely to conclude that certain attitudes are held in society more broadly if they are exposed to individuals in media or content who hold certain attitudes². For example, seeing a TV character who has positive attitudes towards LGBTQ individuals can lead people to conclude that wider society is positive towards them.

Media can shape consumer perceptions, and brands can reinforce them

For marginalised groups, media exposure can have a positive impact; repeated exposure has been shown to lead to a more favourable reception amongst non-marginalised groups³. Media may also have an impact on attitudes because it offers people an opportunity to "interact" with individuals in different groups. This idea, known as the parasocial contact hypothesis⁴, suggests that positive, enjoyable media experiences can contradict stereotypes. The human brain processes media experiences similarly to how it processes "direct experience", which leads people to react to media characters as they would real people⁵.

Because these interactions take place in a generally positive, non-threatening context, there is greater opportunity for attitudinal change.

One of our Standing up for Diversity panellists, Chris Kenna, told us about some research his company, Brand Advance, did with an entertainment channel and SystemOne. They showed ads to 1000 people using facial recognition software to track their reactions. The findings revealed the ads that featured a minority group resonated with all groups and they all had an emotional journey, including those from minority ones. "If the brand sees them, they must see me". However, when white only families were featured, there was no emotional journey for any of the consumers - they didn't engage at all. Many actually stopped watching all together.

The learning? Having diversity in your comms will engage your audience, so ignore it at your peril.

Multiple studies have shown that representation in marketing has a positive impact: a 2019 Google study showed that 64% of those surveyed said they took action (including purchase) after seeing an ad they considered to be diverse or inclusive.

An Adobe survey showed 58% of US LGBTQ+ respondents and 53% of African American respondents walking away from brands that do not represent them. In April 2021, Deloitte found that 35% of 18-25 year olds notice representative advertising at time of purchase consideration - and they are twice as likely to do so than 45+ year olds. This held true worldwide and across sectors from automotive, to travel, to financial services, home furnishings, beauty and fashion. A survey published by Statista in July 2022 showed that 36% of US and UK consumers are prepared to boycott brands because of issues with diversity and representation.

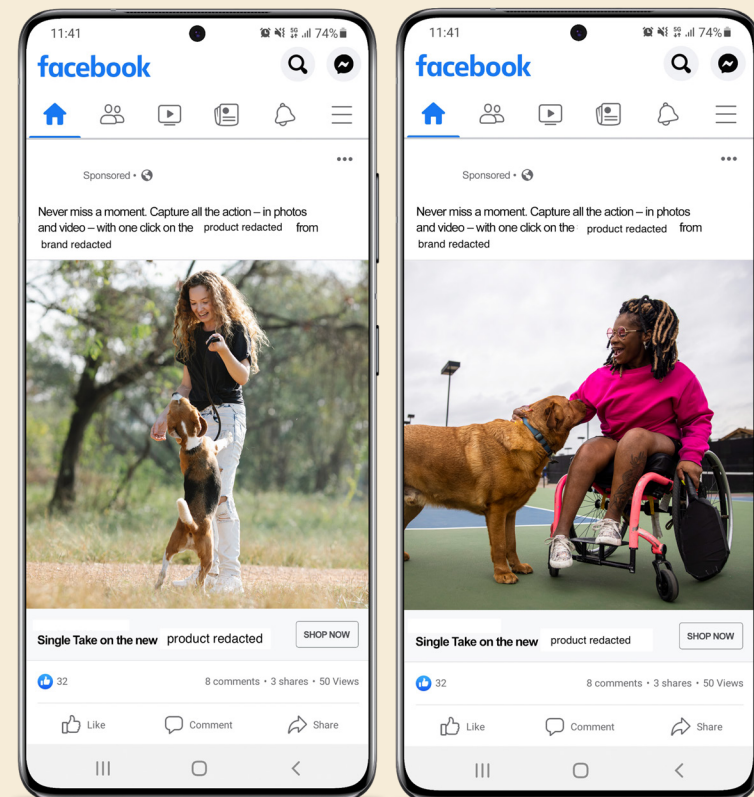
As with media, brands have the power to make change through representation in their marketing content. This gives us all a responsibility and an opportunity: to stand up for diversity, and to enhance our own customer relationships as a result.



The specifics: what consumers told us

We showed consumers fictionalised social ads and emails, to test the impact that inclusive content has on their brand perceptions and affinity. We asked a series of questions pre- and post-exposure (in qualitative interviews and in an online survey of 1500 UK consumers) to measure its impact against a control image.

We tested a Facebook ad for a fictional tech brand setting the control image (a white able-bodied woman) against inclusive stimulus (a black disabled woman).



On seeing the inclusive image, the primary response was that of passive positivity ie. consumers saw it as normal, not something to react to. 8 out of 10 reported no change in

affinity or perception of the brand but commented on how well it reflects on the brand. 64% of consumers expect brands to be progressive, inclusive and keeping up with the times.

64%

of consumers expect brands to be progressive, inclusive and keeping up with the times.

Intersectionality in marcomms indicates authenticity

On digging deeper, our interviews highlighted how valued intersectionality (the overlap of two or more marginalised identity factors) is within marcomms. Intersectionality demonstrates to consumers that brands have a deeper understanding of real people and the complexities of identity. In the inclusive image, many appreciated that not only did it show an under-represented group (black and disabled) it showed a happy person, clearly about to engage in sports. While subtle, this is a brand normalising marginalised groups in activities where they are traditionally under-represented.

It's a heartfelt photo and captures attention. I love the diversity in the ethnic background and disability, it feels inclusive - female disabled

However, some reacted to the inclusive image by questioning how relevant the brand is to the audience depicted:

I like that it's a disabled woman, it implies accessibility features as well as an inclusive brand - but it could look like tokenism without saying how, for example, the woman in the photo could have taken the photo herself - female disabled

If a brand is including a specific marginalised group in their marcomms, it's products must be accessible for that group - consumers will look into this to see if products match the comms.

It shows brands are taking action to be diverse rather than engaging in tokenistic casting. 64% of our respondents agreed that it's important for brands to offer product substance - products which deliver against their stance.

Product Substance: what good looks like

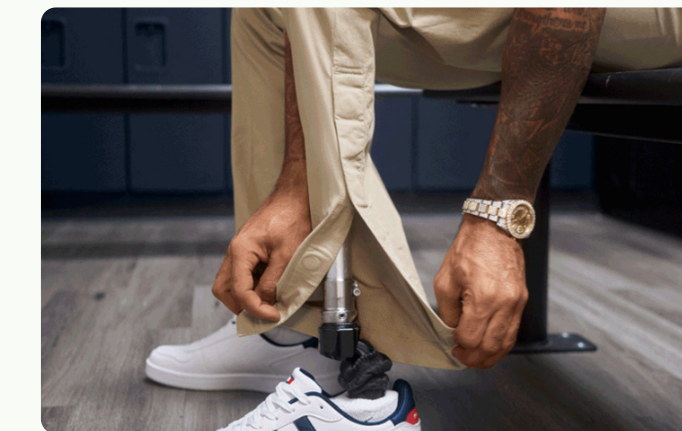
Nike: FlyEase.

The shoe is hands-free and the landing page for the product showcases young children with disabilities putting the shoes on.



Tommy Hilfiger: adaptive range.

A range of clothing adapted to those with disabilities - including magnetic closures, adjustable hems, one handed zippers and velcro fastenings.



Microsoft: Xbox Adaptive Controller.

Designed and built from the ground up, with the Able Gamers Foundation, the Cerebral Palsy Foundation and many more to make gaming accessible for all.



3D

3D

We tested email comms for a fictional home and furniture brand, setting the control image (a heterosexual couple with children and no marginalised identities) against inclusive image 1 (a gay couple with their children and a dog) and inclusive image 2 (a gay Jewish couple with their children).



Home brand control image



Home brand inclusive image 1



Home brand inclusive image 2

In inclusive image 1, many either acknowledged it included a gay family and appreciated how the brand was portraying them in a totally normal manner (as they should) or they didn't comment at all, showing passive positivity.

With inclusive image 2, it wasn't clear the setting was at home, thus losing the link to product and leading consumers to focus on trying to understand the relevance. Many appreciated the intersectionality and presence of under-represented groups, but the lack of **brand relevance** jarred.

There should be a clear link between the marcoms and brand / product being sold: without this they can feel performative and tokenistic.

Brand relevance: what good looks like

JDSports: 2021 Christmas ad

Several research respondents named JD Sports' 2021 Christmas ad as a prime example of what good representation looks like: [LINK TO AD](#)

JD sports are showing black people in a positive light. It's not just who they put in their advert that matters, it's how they talk, the music they play; we don't all talk the same and that's ok!
- Lynda, black

The ad reflects UK black youth culture solidly connecting to the brand and product through casting, cadence and music used.

We found that marginalised groups are the first to notice when a brand gets it wrong: they draw attention to it in social channels and non-marginalised groups pick it up. Consumers are surprisingly diligent about looking into brands and understanding their commitment: who is on the board; how they treat their employees etc.

I am happy to see diversity anytime [whether it relates to me or not]. If I see a religious minority – a woman with a headscarf for instance – I am not a Muslim and I don't know anyone who wears a hijab but it's good to have an appreciation and be mutually supportive... It makes me feel good about the brand – I would see something like this and think positively towards them

- James, mixed race, gay

I can appreciate that a brand is doing the right thing even if the content isn't representing me - for instance, with religion - as long as a brand is pushing for all religions to be represented and not just focussing on one, then it's right

- Fiona, black, mobility-impaired

It's important to see diversity and all identity characteristics in advertising; it needs to actually reflect the world. If it's only representing one group, then you won't get to know the different marginalised groups

- Brody, trans male

66% of consumers believe that inclusive content is more than just images: consumers actively noted when disabled and religious individuals are depicted in communications, meaning that intersectionality and awareness of the issues are crucial. 63% of consumers try to keep up to date with news surrounding diversity issues and 52% will research a brand to find out if it is authentic in its marcoms.

Ultimately, consumers told us that not demonstrating diversity and inclusion is no longer acceptable. But, equally, getting it right won't earn you special treatment, it's just what consumers expect now.

We asked our consumers to give us examples of brands getting it wrong and right...

A brand our consumers accused of performative or tokenistic behaviour in comms

Marks & Spencers: Pride Sandwich. Rainbow Washing.

In 2019 during Pride month, Marks & Spencers launched an LGBT sandwich. While they did donate £11,000 to LGBT charities, they didn't promote this enough, which meant many accused them of being performative and exploitative.



If brands are doing something as 'simple' as adding a pride colour scheme/ naming a sandwich LGBT, they need to ensure that they are speaking about the 'behind-the-scenes' involvement they have regarding DE&I.

Brands our consumers thought of as authentically integrating DE&I in their marcomms

Ben & Jerry's brand stance

Ben & Jerry's are consistently engaging in conversations regarding inclusivity; they are outspoken, unafraid and proactive. They work with appropriate partners and charities (i.e. Color of Change & NAACP), and have clear brand positioning, values and a strong stance on an abundance of issues (i.e. BLM, gay marriage, trans lives). They have an in-house activist team, which is given a healthy budget to engage with these topics.



Ben and Jerry's took a bold stance against the government's decision not to apply the conversion therapy ban to trans people: actively encouraging their followers to contact their MP to show their opposition and offering a link to Stonewall's website.

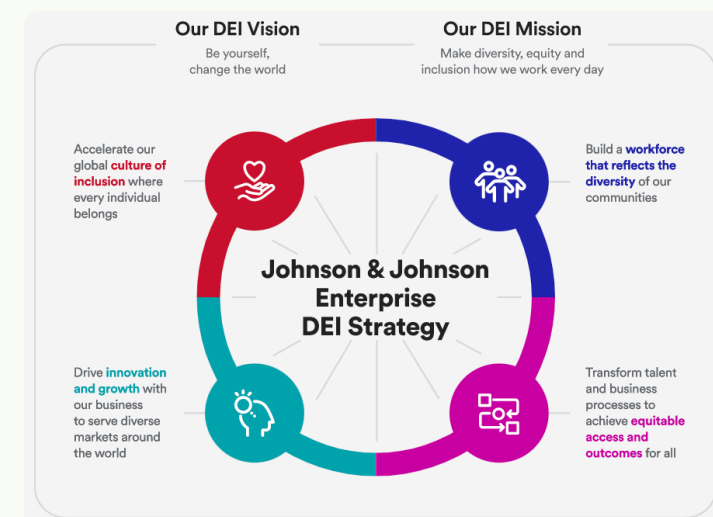
Johnson & Johnson's inclusive workforce

71% of our consumers agreed that brands should have a diverse workforce.

I judge a company by its corporate structure. I need to see who's on their board, who's on their shop floor and who's modelling for them. If they just put a few black faces on their ads, then that's performative
 - Fiona, black, mobility impaired

As a STEM industry player, J&J have focussed specifically on creating an inclusive workplace for people of all identities:

- Reinforcing an inclusive culture through training and team building.
- Building a diverse workforce through inclusive hiring and developing talent.
- Connecting DE&I to innovation and growth by understanding the needs of diverse patients, customers and consumers around the world.
- Transforming talent and business processes to achieve equitable access and outcomes for all.



Manners, London: overall brand

A black-owned clothing brand that markets a diverse range of clothing, embracing ethnicity, size and age, Manners is all about celebrating what real women look like. Their brand ethos "exist loudly" is embedded in their branding and in the owner's story.

Manners feels more genuine than other brands in its diversity - the brand through-and-through is about helping women feel confident in their bodies
 - Fiona, black, mobility impaired

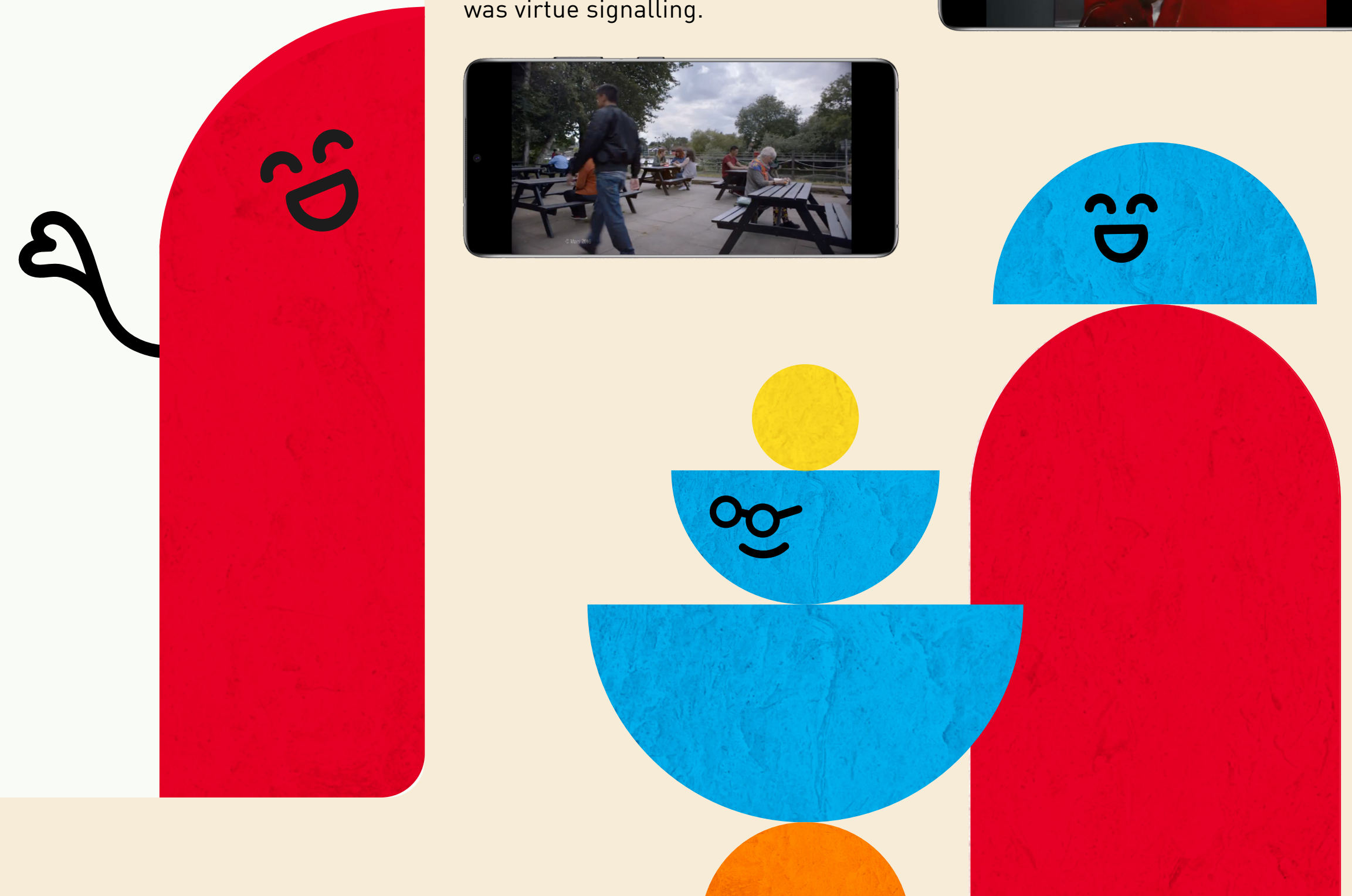
In our Standing up for Diversity Event, we showed the audience two ads that we thought avoided tokenism and celebrated marginalised audiences - we had talked about and debated these ads for days before the event, but even on the day our audience shared feedback and points of view on them that we hadn't thought of.

Maltesers "New Boyfriend" ad

Maltesers continue the time-honoured tradition of using sex to sell chocolate - but with a diverse cast of three women (one of whom happened to have cerebral palsy). They are discussing sex around a picnic table in a park and the differently abled woman tells a funny anecdote. We thought it was not tokenistic, but a member of our audience suggested that closing on a shot showing the entire wheelchair was virtue signalling.

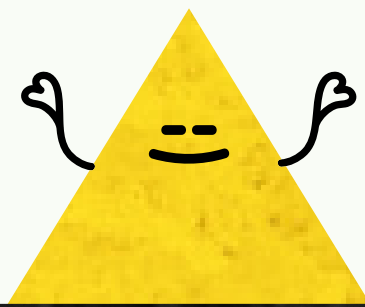


Virgin Atlantic "See the World Differently" ad - we loved this celebratory ad representing lots of different marginalised groups, but it was perceived by audience members to imply that black people are always late (by showing a black passenger responding to the last call for his flight on the departure board). Another part of the ad showed a white woman being let through the security arch when she showed her tongue piercings - actually an example of white privilege. So the deeper you go, the more you complexity you uncover!



What's happening in culture?

We searched for cultural trends that relate to DE&I in published media, social media, journals and papers using our AI insight tool Q™. We found three strongly evident trends in the UK:



Perceptual diversity

This is where people hold themselves and others accountable for learning about reality from different perspectives and use this education to build empathy and take action. This behaviour really ticked up during the Black Lives Matter protests in 2020 and is the trend that propelled DE&I forward for many brands.



Polarisation

This describes how people are embracing more extreme opinions, upon which they are basing a greater amount of their identity – owning and defending their differences (of all kinds) and taking pride in them.

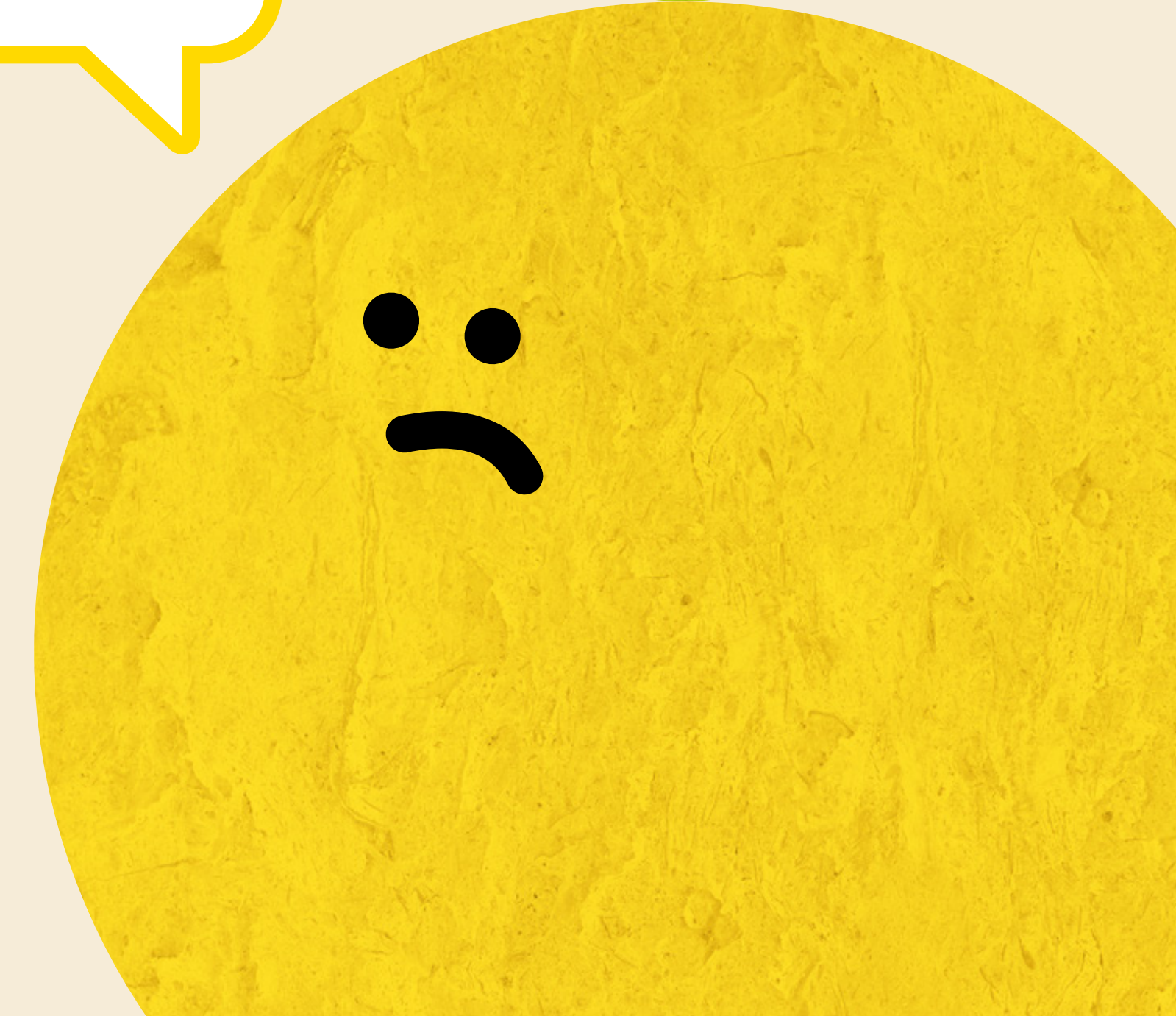
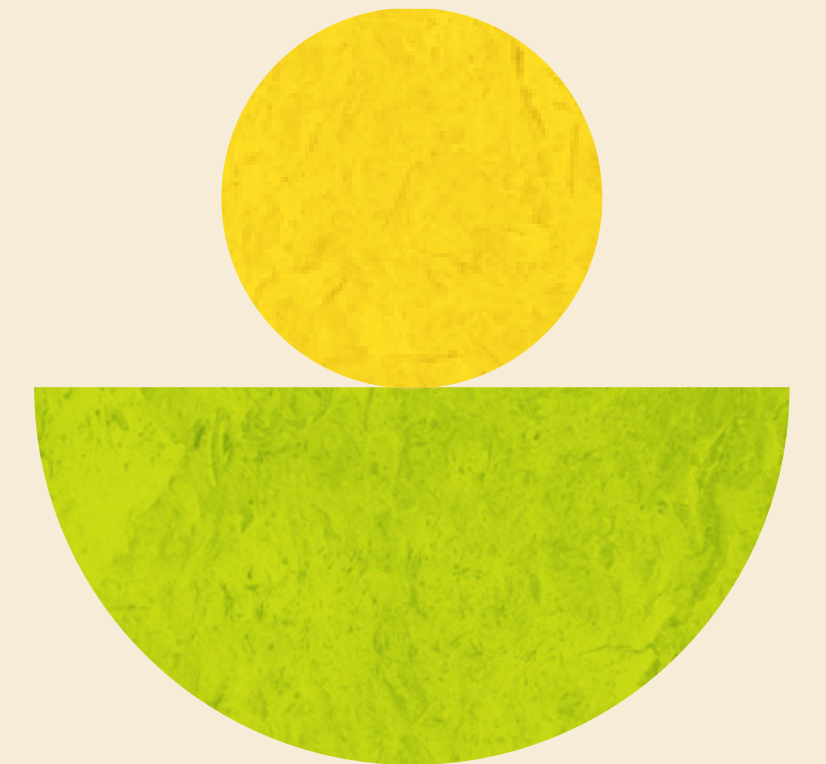
'Cultural citizenship' describes the right of a minority or marginalised cultural community to be different without revoking their rights to belong to broader society⁶. This now goes beyond ethnicity and cultural heritage to apply to communities formed by shared identities and experiences eg. LGBTQ+, neurodiverse, disabled etc.

Moral imperative

This was very evident in our research. It's when consumers (particularly Millennials and Gen Z) are wielding their spending power to hold brands and industries accountable to corporate responsibility pledges, including DE&I.

If brands get it wrong, our research showed that **39%** of consumers will talk about the brand negatively; **35%** will remove the brand from their consideration set; and **28%** will be less likely to purchase.

Could your brand afford to lose over a quarter of its sales?



How to close the inclusion gap – tools and learnings from our event

1. Addressing bias in data

As marketers we are all heavily dependent upon data, but did you know that most of the data we use has bias built in?

From the way data is collected, to the datasets we use to build models and train AI, historical data is biased and it's all too easy to perpetuate biases unknowingly. In 2014, Amazon built a system for automatically screening job applicants. The idea was to feed the system hundreds of CVs and have it select the best candidates automatically. The system was trained on 10 years' worth of data and outcomes. The problem? Most employees at Amazon were male (particularly in technical roles). The algorithm learned that, because there were more men than women at Amazon, men were more suitable.

What can we do about it?

Firstly, we need to reduce demographic-based assumptions: age doesn't determine your likes and passions. Just because you turn 50, doesn't mean you want to be targeted with funeral plans, life insurance or river cruises. It's unsurprising that 42% of consumers think sharing their data will just result in more junk mail!

74%

of consumers agree that it's important for brands to take time to understand their customers



74% of consumers agree that it's important for brands to take time to understand their customers. If we want to truly understand the individual, we need to rethink the data we collect. We need to be asking broader questions that let the individual determine their own experience, for example Lastminute.com asks about the travel, hotel and theatre deals you are interested in; ASOS doesn't assume but asks if you are more interested in womenswear or menswear. The Netflix algorithm is based on your viewing behaviour rather than your demographic data.

Secondly, we need to be radically transparent about why consumers are receiving an ad or communication. Over a quarter of consumers don't know what brands want their data for, but 80% told us would likely share their personal data if they understood the need for it.

I would be much more inclined to provide my data to a brand if I like them and if I knew clearly what they needed the data for

Google and Facebook ads tell consumers that they are receiving the ad because they have browsed similar websites, but the level of accuracy is low. There is huge opportunity to explain why consumers are being targeted and make advertising and marcomms relevant.

Finally, brands need to take responsibility for the inclusive governance of data and use of tools like AI. Every data team needs a Data Ethics Steering Committee to drive this, and ensure the diversity of the data AI team.

We need to build AI tools and datasets which are diverse, so that the models we build are not biased. There are datasets such as the Process for Adapting Language Models to Society (PALMS) that identify and replace toxic language: this model can identify derogative language used to describe race.

The Roll Royce AI team have developed the Aletheia Framework to identify and mitigate bias in AI. They have made the framework open to all, using accessible language and stripping out jargon.

61%
of consumers think brands only want their data for the brand's benefit!

3

8

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2. Learnings from our Panel

We consulted with three experts in the field and frontline of DE&I at our Standing Up for Diversity Event in September:

Emily Graham

Chief Diversity, Equity and Inclusion Officer for Omnicom Globally. Named a "Top Woman in PR" by PRNews and 40 under 40 by PRWeek and Crain's New York Business.

Emily told us a story about an agency pitch where the creative team was specifically briefed on a diverse audience problem, only to respond with a non-marginalised insensitive response, which deeply upset the client.



Tricia Cusden

Founder and MD of Look Fabulous Forever. Tricia was awarded CEW's Digital Achiever of the Year Award, and also won Nectar Small Business Awards Entrepreneur of the Year.

Tricia highlighted the huge issue of age and ageism within marcoms. She doesn't see herself in brand comms, and shared with us two DM pieces she had received just in the last week: one from Pure Cashmere, aimed at women like her but using models in their 40s; and one showing someone she did think looked a bit more like her... only to find it was from Pure Cremations!



Chris Kenna

CEO and Founder of Brand Advance Group, which was The Drum's diversity and inclusion company of the year 2021. He is also on the advisory boards for TikTok, the Met Police and V&A museum.

Chris talked about the toll of "bringing the diversity" only to be seen as the "help" in meetings with clients who've barely heard of DE&I. He also supported Tricia Cusden's story with some highlights of his own research at Brand Advance: 49% of all consumer spend in the UK is made by someone of 55 or above and only 4-6% is spent on reaching that demographic; whereas 42-43% of ad budgets are spent on reaching Gen Z.



We distilled three important learnings from our panel:

- It's crucial to include diverse and minority groups in your creative and review processes especially if they are featured in your marcoms. This is an easy way to avoid mistakes. Our favourite example of this is the Cadbury's Fingers ad made for the National Deaf Children's Society – written by a deaf creative team and reviewed by deaf stakeholders.
- We need to create the psychological safety for our teams if we are to be open to a correction culture (the idea that it's OK to make mistakes, own up to them and move forward). This kind of culture (and the kind of work that wins awards) can only flourish if it's acceptable to show up as individuals rather than conforming to a type.
- Don't underestimate the toll it takes in emotional labour for those who are representing constantly to help and educate marketers and consumers– check in regularly with your people.

3. How is your brand doing? Some tools to help

What if everyone was able to see themselves represented as they are and not as a stereotype? We need to normalize this kind of representation in all public facing communications – showing individuals without the need to over explain or tokenize; acknowledging everyone as an individual and unique.

It's important to see diversity and all identity characteristics in advertising; it needs to actually reflect the world. If it's only representing one group, then you won't get to know the different marginalised groups
- Brody, trans male

We've developed two tools to help you:

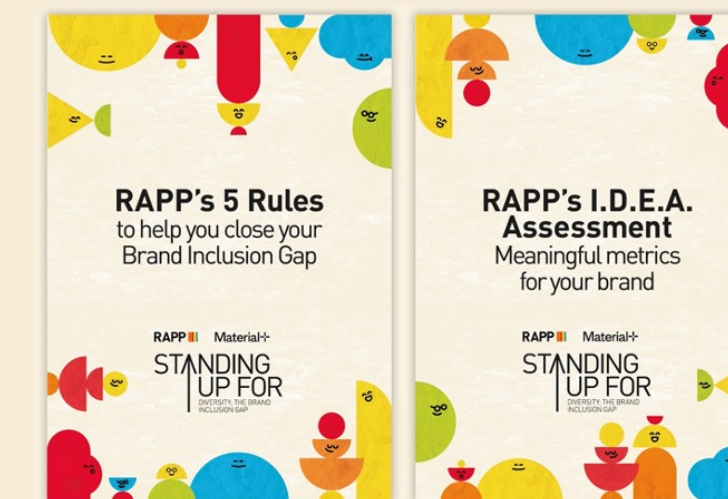
5 Rules to help close the Brand Inclusion Gap – a simple set of criteria that you can use to analyse how your brand is showing up – something which can be used as the basis for desk research or a workshop that you run in your own organisation.

Our IDEA Assessment

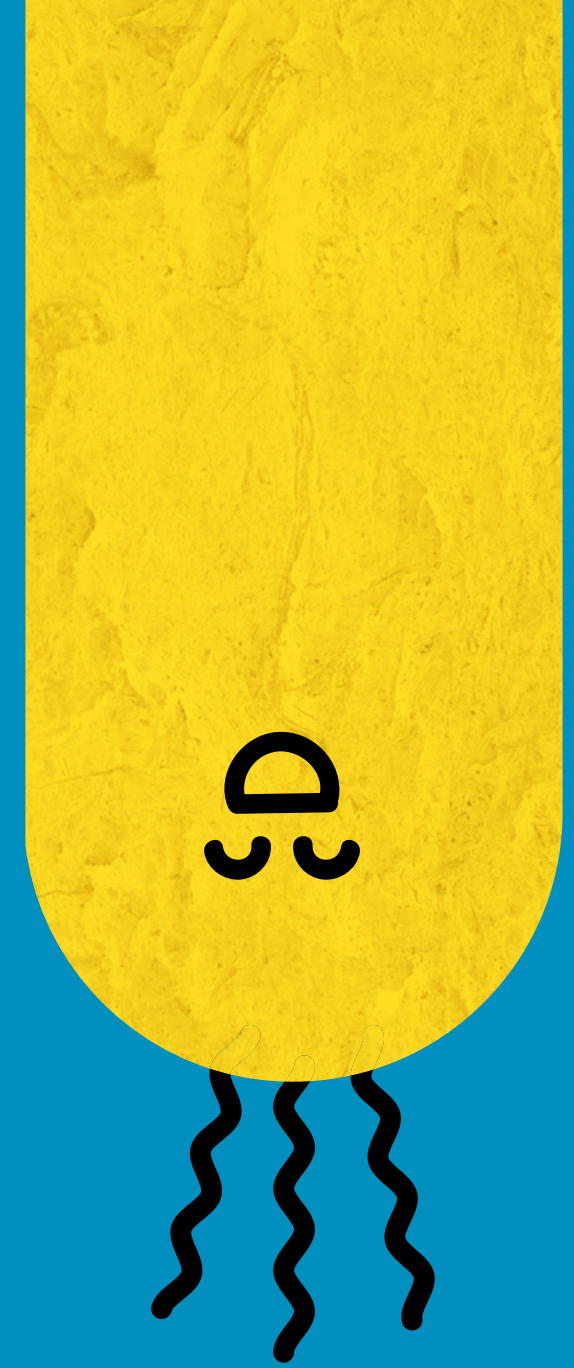
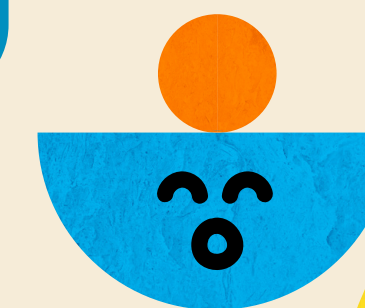
Our analysis tool, which we can run for you to identify the gap and where you can improve it. It looks at Inclusion, Diversity, Equity and Accessibility and it's a three-part service –

- **The Idea Score** looks at ALL of your integrated marcomms and shows you where you are doing well, and where there is room for improvement.
- **The Idea Solution** a full suite of customer experience solutions for you.
- **The Idea Activation** a roadmap and delivery of all the recommended activations.

You can pick and mix between the modules – together they can help close your Brand Inclusion Gap.



Let's stand up for diversity together



Want to close your inclusion gap? Contact us

Email Tracey Barber to discuss the IDEA scorecard
at tracey.barber@uk.rapp.com

FOOTNOTES:

1. Bandura, 2001
2. Brosius & Bathelt, 1994
3. Zajonc, 1968
4. Schiappa, Greg & Hewes, 2005
5. Kanazawa, 2002
6. Rosaldo, 1994
7. RAPP IP Standing Up For Diversity

