

MSI Webinar: Antecedents and Consequences of an Inclusive Brand Marketing Strategy

April 2, 2024 | Virtual | 12:00 pm – 12:30 pm ET

Speakers:

Dionne Antoinette Nickerson - *Assistant Professor, Kelley School of Business, Indiana University*

Sundar Bharadwaj – *Coca-Cola Chair Professor of Marketing at the Terry College of Business, University of Georgia and Senior Research Fellow at the Indian School of Business.*

Overview:







Dionne Nickerson discusses research conducted with Sundar Bharadwaj and Omar Rodríguez-Vilá (Emory University) exploring how practices related to marketplace inclusion are implemented and executed by industry professionals. Nickerson begins by demonstrating a variety of instances where inclusivity in marketing succeeded or failed, with examples of product brands such as the lingerie line Savage X Fenty and the Pulse Oximeter (oxygen meter), as well as imagery surrounding former breakfast product brand Aunt Jemima. She remarked that though brand managers are driven to enhance diversity, equity and inclusion (DEI), in their marketplace actions, their approach often falls short. Fearing consumer alienation or seeking only to cultivate public goodwill, brands often struggle to proceed in ways that are meaningful. Nickerson and her colleagues aimed to define inclusive branding, explore factors influencing its adoption and identify necessary marketing adjustments.

The researchers conducted an extensive literature review, focused mostly on exclusion in the marketplace. Through original research using a theories-in-use approach (TIU) via interviews with industry professionals, the researchers focused more on the concept of inclusion in the marketplace. Importantly, multicultural marketing and inclusive branding are not the same thing. The researchers define an inclusive brand as one “creates, communicates, and delivers product offerings that serve the needs of underrepresented consumers through practices and activities that enhance the consumers’ perceptions of equality, respect, acceptance, belongingness and empowerment.” Based on this, the researchers propose a conceptual model to identify the levers needed to promote inclusive branding. Some results from the research found that while diversity in decision-making may initially hinder performance, it yields long-term benefits. Despite initial consumer skepticism, embracing diversity ultimately enhances marketplace inclusion.

Takeaways:

- **This research aims to answer three main questions:** What defines an inclusive brand? What factors impact a brand's choice to embrace inclusivity? What adjustments in marketing practices or conditions are necessary to transition into an inclusive brand?

Becoming an Inclusive Brand

					
Definition	Levels	Capabilities	Conditions	Measurement	Impact
Clarifying the meaning of an Inclusive Brand.	Conceptualizing an inclusive brand in terms of a maturity model.	Identifying the specific workplace and marketplace practices needed to make progress.	The enablers, challenges, and tensions impacting the journey towards inclusion.	The metrics to assess perceived inclusion among customers.	The economic impact of brand inclusion.

Findings from the Literature

- Prior findings suggest that **discrimination in marketplaces can have significant negative effects**, potentially limiting consumer engagement and market access for underrepresented groups.
 - Conversely, multicultural marketing, by **recognizing diversity and cultural identities as valuable assets**, presents opportunities for businesses to reach diverse consumer segments and enhance consumer engagement.
 - Understanding and **addressing marketplace discrimination while implementing effective multicultural marketing strategies** can contribute to more inclusive and successful market environments.
- **Research on the impact of marketplace discrimination/exclusion on marketers includes:**
 - Risks associated with such practices can include negative publicity, consumer backlash (e.g., boycotts and lawsuits) and financial losses (e.g. reduced sales and stock prices).
 - Additionally, the literature underscored the importance for marketers to prioritize inclusivity and equitable treatment of all consumers to mitigate these risks and foster positive consumer relationships.

- **Prior research on the impact of marketplace discrimination/exclusion on consumers:**
 - Marketplace discrimination and exclusion have **significant negative effects on consumers**, including damage to self-esteem, social status, and the perpetuation of prejudicial messages.
 - Additionally, the **privatization of social services can exacerbate marketplace inequities**, resulting in adverse impacts on health, well-being and lives.
 - The limited research addressing critical approaches to inclusion in the marketplace highlights **the need for further investigation and** action to address these issues effectively.

The Research

- **Method:** The research used a TIU approach and based on 36 interviews, each lasting approximately 60 minutes, covering a range of industries, including apparel, entertainment, finance, travel, retail and consumer packaged goods.
 - The interviewees included 15 current Chief Marketing Officers (CMOs), 5 Chief Diversity Officers, 4 Chief Human Resources Officers and 1 CEO, among other professionals.
 - **Research questions:**
 - What are examples of inclusive marketing in your firm?
 - What are the internal factors that help a brand become inclusive?
 - What are some factors that hold back inclusion efforts?

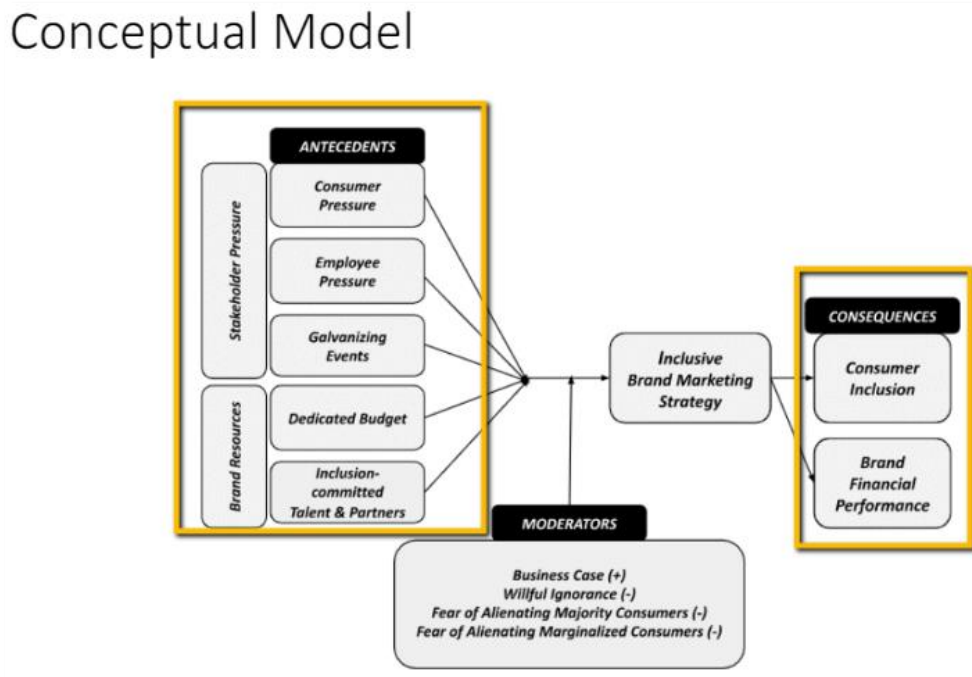
Defining an Inclusive Brand: Field Interviews

- **“..includes me, made for me, represents me.”** (CMO, Beauty Brand)
- **“Your advertising should be such that nobody feels excluded. While I, as the consumer, may not be interested in your benefits or what your product is, I should at least feel as though you see me as part of the larger population, and I feel respected.”** (Former CMO, Large Tech Company)
- **“[W]e really went to market, thinking about people who had less opportunity ...”** (VP, Global Brand Marketing, Employment Services Company)

- Based on field interviews the researchers **define what it means to be an inclusive brand** and develop a conceptual model of an inclusive brand marketing strategy.

- **Inclusive brand:** a brand that creates, communicates, and delivers product offerings that serve the needs of underrepresented consumers through practices and activities that enhance the consumers' perceptions of equality, respect, acceptance, belongingness and empowerment.

Conceptual Model



- **Antecedents to an inclusive brand marketing strategy** (Factors influencing adoption of inclusive brand marketing strategy):
 - **Stakeholder pressure:** Brands are more likely to embrace inclusive strategies when key stakeholders such as the general public, consumers, and employees demand action on diversity, equity, and inclusion (DEI) issues. This pressure can manifest through active means like boycotts or complaints, or passively as societal expectations evolve.
 - **Dedicated budget:** Having a specific budget allocated for inclusive brand objectives increases the likelihood of a brand adopting and implementing inclusive marketing strategies.
 - **Commitment of talent and partners:** A brand's commitment to inclusion is reinforced when both internal employees and external partners are dedicated to fostering diversity, equity, and inclusion.
- **Boundaries (moderators) for the conceptualization** include the strength of the business case, the strength of willful ignorance within the organization, the fear of alienating the majority of consumers, and the fear of alienating underrepresented consumers.

- **Consequences of an inclusive brand marketing strategy:** improved consumer perceptions of inclusion from a brand and improved financial performance as a result of successful inclusive marketplace practices, by aligning with diverse consumer needs and values.
 - Some results suggested that although diversity may initially impede decision-making and business performance, in the long run, diverse groups tend to outperform homogeneous ones. This suggests that initial concerns about marketplace inclusion may fade over time.

Proposed Contribution

<i>Substantive</i>	Identifies ways in which brands can increase their marketplace inclusion.
<i>Theoretical</i>	Develops an operational definition of “inclusive brand” and identify key antecedents and consequences associated with an inclusive brand marketing strategy.
<i>Practical</i>	Permits us to not only identify the practices relevant to inclusive marketplace actions but also, eventually, help practitioners and academics to examine the impact of such practices on marketing outcomes.

Source:

Antecedents and consequences of an inclusive brand marketing.

Source: Nickerson, D., Bharadwaj, S., & Rodríguez-Vilá, O. (2023). MSI Working Paper. [MSI](#).