

# European Media Markets

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## The European Advertising Market:

### Diversity in Advertising

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Marketers see diversity not just as a trend but as a necessary dimension that brings moral, social, and economic benefits to advertising. However, this does not mean diversity is easy to implement or use uniformly. There are still risks of misuse and underrepresentation in advertising that can perpetuate negative perceptions, bias, and division. In this White Paper, we will discuss the background and characteristics of diversity (focusing on gender, sexual orientation, and race) in advertising across different EU countries. Sweden and Spain are discussed in detail as case studies.

#### Highlights

Diversity and inclusion have become a requirement in advertising, not an option.

However, representing diversity is not easy. Many challenges arise, e.g., stereotyping, pinkwashing, and lack of offscreen diversity.

A country's cultural and social background influences the need for diversity and should be considered.

Diversity in advertising is happening now and is still progressing.

## 1. Data and concepts: diversity in advertising

Advertisement plays a vital role in European economies. An estimated \$718.21 billion in 2020 was spent on advertising worldwide, and it is even expected to grow to \$822.39 billion in 2024.<sup>1</sup> When looking at the European advertisement sector, it becomes clear that this is an essential part of the worldwide ad sector. The industry takes up approximately 20% of global ad spend<sup>2</sup>, with Germany as the leading country. The relevancy of the sector in the European market has been recognized. A Deloitte study in 2017<sup>3</sup> showed just how important it is for the European economy: on average, every euro spent on advertising generates 7 euros for the economy. It also provides almost 6 million jobs in the EU alone and contributes to the EU society because of its social and personal benefits by funding part of the EU media.

However, the sole purpose of advertising is not just to sell products but to inform, persuade and motivate people. Potential customers gain knowledge about the product, advance a positive attitude towards the brand, and intend to try or buy it.<sup>4</sup> And advertisements are a “powerful social and cultural force” in society.<sup>5</sup> Ads do not only show our society but can create positive (or negative) change in it.

<sup>1</sup> Patrick, D. P. (2022). *Advanced Introduction to Advertising*. Edward Elgar Publishing.

<sup>2</sup> Statista. Ad spend worldwide by region 2024. Retrieved 10 April 2022, from <https://www.statista.com/statistics/278335/global-advertising-expenditure-by-region/>

<sup>3</sup> Deloitte Insights (2017). *The economic contribution of advertising in Europe: a report for the World Federation of Advertiser*. Retrieved 27 April 2023, from [https://www.owm.de/fileadmin/Archiv/public/downloads/publikationen/Value\\_of\\_Advertising\\_-\\_Studie\\_D\\_EU.pdf](https://www.owm.de/fileadmin/Archiv/public/downloads/publikationen/Value_of_Advertising_-_Studie_D_EU.pdf)

<sup>4</sup> Patrick, D. P. (2022)

<sup>5</sup> Lee, W.-N., Williams, J. D., & La Ferle, C. (2004). Diversity in Advertising: A Summary and Research Agenda. In J. D. Williams, W.-N. Lee, & C. P. Haugtvedt (Eds.), *Diversity in advertising: Broadening the scope of research directions* (pp. 3–20). Lawrence Erlbaum Associates Publishers.

Diversity, or “the fact of many different types of things or people being included in something,” can be viewed from different angles in advertising. Diversity can refer to age, gender, ethnic background, language, disability, and sexual orientation. And people worldwide are demanding to see themselves better represented in advertising. A study conducted by Adobe in 2019 suggests that not only are people more likely to engage with or support a brand with inclusive ads, but people will also consciously not support a brand that isn’t known to be inclusive<sup>6</sup>. The study was based on a global survey with over 2.000 participants; however, it was mainly conducted on a US, UK, and Australian audience.

These expectations require brands to be more concerned about their inclusiveness and diversity. Customers expect brands to not only speak about diversity, equality, and inclusivity, but they also need to show it. Diversity can also impact a brand’s revenue: A study by Deloitte found that consumers are more loyal to brands that actively show diversity.<sup>7</sup> The double role of advertisement (making a profit and reflecting/changing society) adds to the importance of diversity in advertisements. However, the use of diversity in ads can also result in stereotyping. And advertising is still mainly targeted at white male members of our society.<sup>8</sup>

## 2. The impact of diversity in advertising

The emergence of diversity in the advertising market is not accidental. It came with different forces, ranging from public discourses and the conscience of advertising professionals regarding consumer opinion and the progression of having a more diverse advertising sector.<sup>9</sup> The diversity discourse in the advertising sector mainly started from a need to represent people of women and ethnic backgrounds.<sup>10</sup> <sup>11</sup> This White Paper will mostly discuss these two forms of diversity, with the addition of LGBTQ+. This last category has been added because of so-called pinkwashing, or “the practice of a state or company presenting itself as gay-friendly and progressive to downplay its negative behaviour.”<sup>12</sup>

### 2.1. Women

Gender stereotyping in advertising has long been a common practice used to portray men or women in specific limiting ways. Stereotyping raises concerns over how these representations could lead to individual and societal effects. The dynamic of gender representation in advertising has recently been transformed to include progressive gender portrayals. A study by Middleton & Turnbull (2021)<sup>13</sup> identifies four market-reshaping factors that activate this gender progressive transformation, including public or societal discourse, the moral conscience of new advertising professionals, collective consumer opinion, and salient gender progressive advertising.

### 2.2. LGBTQ+

The presence of LGBTQ+ in the advertising industry shows a positive increase, especially its integration into corporate social responsibility of brand communication in the digital age.<sup>14</sup> Three key reasons are believed to contribute to this trend. First, the global annual spending power of the LGBT consumer segment was estimated at around \$3.9 trillion (€3.7 trillion)<sup>15</sup>. The second reason for this is driven by the consciousness among consumers over the social issues they care about, and in this case, the inclusion of LGBTQ+. A study of the US market showed that 87% of Americans would buy a product because a company advocated for an issue they care about, and 76% will deny opting for products or services if it goes against their beliefs.<sup>16</sup> This data depicts consumers as a driver of this market change. And the third reason is companies are competing to position themselves as leaders

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<sup>6</sup> Adobe Experience Cloud blog.

<sup>7</sup> Authentically Inclusive Marketing (2022). Deloitte Insights. Retrieved 24 May 2022, from <https://www2.deloitte.com/us/en/insights/topics/marketing-and-sales-operations/global-marketing-trends/2022/diversity-and-inclusion-in-marketing.html>

<sup>8</sup> Lee, W.-N., et. al (2004)

<sup>9</sup> Middleton, K., & Turnbull, S. (2021). How advertising got ‘woke’: The institutional role of advertising in the emergence of gender progressive market logics and practices. *Marketing Theory*, 21(4), 561–578.

<sup>10</sup> European Audiovisual Observatory (2021). Diversity and inclusion in the European audiovisual sector. Retrieved 24 May 2022, from [https://www.obs.coe.int/en/web/observatoire/home/-/asset\\_publisher/wy5m8bRgOygg/content/diversity-and-inclusion-in-the-european-audiovisual-sector-new-free-report-on-line-](https://www.obs.coe.int/en/web/observatoire/home/-/asset_publisher/wy5m8bRgOygg/content/diversity-and-inclusion-in-the-european-audiovisual-sector-new-free-report-on-line-)

<sup>11</sup> Middleton, K., & Turnbull, S. (2021)

<sup>12</sup> Murphy, T. (2012.). A Gay Community Center’s Middle-East Problem. *Intelligencer*. Retrieved 24 May 2022, from <https://nymag.com/intelligencer/2012/03/gay-community-centers-middle-east-problem.html>

<sup>13</sup> Middleton, K., & Turnbull, S. (2021)

<sup>14</sup> Rodriguez, J. A. (2022). LGBTQ Incorporated: YouTube and the Management of Diversity. *Journal of Homosexuality*, 1–22.

<sup>15</sup> LGBT CAPITAL. (n.d.). LGBT Capital. Retrieved 3 May 2022, from <http://www.lgbt-capital.com>

<sup>16</sup> Cone Communications CSR Study – Cone. (2017). CONE. Retrieved 3 May 2022, from <https://conecomm.com/2017-csr-study/>

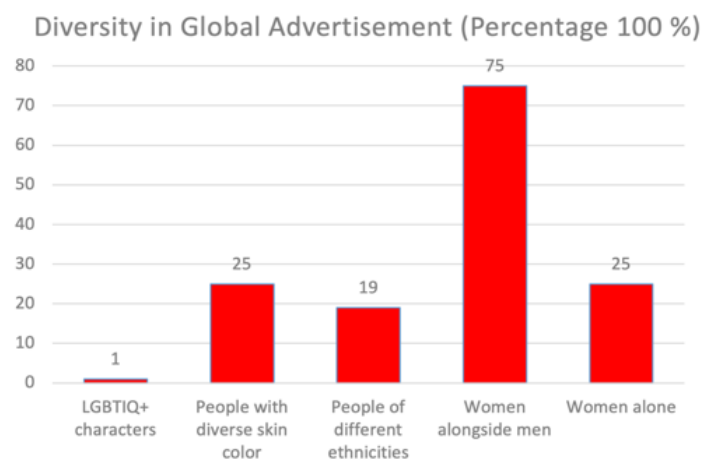
who support social movements. Different creative campaigns have supported LGBTQ+, including partnerships with supporting communities (e.g., Abercrombie and Fitch in collaboration with The Trevor Project - an LGBTQ suicide prevention and crisis intervention organization) and June Pride Months campaigns.<sup>17</sup>

### 2.3. Race

To understand race progressive practice in the advertising market is essential to understand racism, which can be defined as “an attitude of systematic hostility for particular individuals or groups of people based on their nationality, skin colour, origin, and ethnic group.”<sup>18</sup> Racism in advertising is mainly based on stereotyping. Racial diversity in ads is seen as driven by a high demand for equal representation among different racial groups and by their high buying power (estimated to reach \$16.6 trillion by 2021)<sup>19</sup>. Anti-racism campaigns based on social movements such as Black Lives Matter resulted in a noticeable increase in viewers’ general appreciation of ads having an impact on showing corporate responsibility and empowerment.<sup>20</sup>

## 3. Comparative study: Sweden vs. Spain

Diversity in advertisements has already changed over the last few years, but more must be done. Based on a study published in 2021 by Kantar, a global data analytics and brand consulting company, consumer groups previously seen as ‘minorities’ are growing – in size, buying power, and influence. However, they are still not reflected representatively in advertising today. The graph shows how global ads represented different groups in 2021.<sup>21</sup>



From a cultural and economic point of view, diversity in advertising needs to be addressed correctly. The diversity of communities is distinct in different countries. The cultural backgrounds of European countries must be considered when implementing diversity.<sup>22</sup> To illustrate this, a comparative study of two European countries, namely Sweden and Spain, is presented here.

### 3.1. Sweden

With 83.8 out of 100 points, Sweden ranks 1st in the EU on the Gender Equality Index.<sup>23</sup> However, according to a study conducted by Google Sweden and Geena Davis Institute on Gender in Media assessing the representativeness of nominated advertisements for at least three awards (Guldägget, Wattaren, and YouTube Works) during 2015-2020, some minority groups are still not fully and equally represented in advertising.<sup>24</sup> The conversation about stereotypes and the fight for diversity, inclusion, and equality have significantly impacted the advertising industry and raised awareness regarding the importance of diversity and representation in Sweden.

- **Women:** Female representation in ads roughly equals male representation in Sweden. Nevertheless, there are still some stereotypes being held up. Female characters are shown in revealing clothing significantly more than their male counterparts. Based on the analysed data, male characters are shown with a great deal of authority, in terms of roles with occupations and roles as a leader, at a higher rate than their female counterparts.

<sup>17</sup> Rodriguez, J. A. (2022). LGBTQ Incorporated: YouTube and the Management of Diversity. *Journal of Homosexuality*, 1–22.

<sup>18</sup> See <https://www.unia.be/en/grounds-of-discrimination/racism>

<sup>19</sup> See <https://news.uga.edu/multicultural-economy-report-17/>

<sup>20</sup> See <https://www.acemetrix.com/insights/blog/black-lives-matter-themed-ads-see-success/>

<sup>21</sup> See <https://www.kantar.com/north-america/inspiration/advertising-media/beyond-brand-activism-three-routes-to-inclusive-advertising>

<sup>22</sup> European Audiovisual Observatory (2021)

<sup>23</sup> See <https://eige.europa.eu/publications/gender-equality-index-2020-sweden>

<sup>24</sup> Davis, K. (2022, January 19). Measuring diversity in advertising: A challenge of scale. MarTech. <https://martech.org/measuring-diversity-in-advertising-a-challenge-of-scale>

- **LGBTQ+:** Sweden was the seventh country to legalize same-sex marriage in 2009. But it is shown that the representation of LGBTQ+ characters in advertising during 2015-2020 is exceptionally low, with only 1 to 5%. However, the presence of homophobia/transphobia in Sweden is nearly 0, a markable difference from 2008, where it still was 2% of all ads which showed homophobic or transphobic tendencies.
- **Race:** Characters of colour have a poorer representation than white characters in nearly every aspect analysed. In most years (except for 2017), white characters are depicted in more higher-rated occupations than characters of color. In most years (except for 2017), the percentage of white characters shown as employed was higher than that of characters of colour. Similarly, the higher rate of roles displayed as leaders are inclined toward white people. Besides, despite an increase in interaction between White and non-White actors over the studied years, and an increase in the relative quantity of persons of colour portrayed, persons of colour are often over-represented in playing background roles and are shown in isolation.<sup>25</sup>

### 3.2. Spain

In the last years, advertising in Spain has been increasingly used as an educational tool, promoting the inclusion of diverse people. It has also been an essential and influential tool for spreading values in society, especially among the young. Nevertheless, governmental/ institutional campaigns are more likely to reflect diversity than private sector advertisements in Spain.<sup>26</sup> But, research shows that Spanish consumers buy more from brands committed to addressing social inequalities.<sup>27</sup>

- **Women:** In Spain, women's appearance in advertising has increased in recent years. But how they are represented remains an issue, with differences by category.<sup>28</sup> Their portrayal lies in stereotypical roles and contradictory discourses. For example, although more than 50% of ads featured women, men were more likely to be shown in professional environments.<sup>29</sup>
- **LGBTQ+:** Spain is among the top 5 countries that support the LGBTIQ community the most. A 2019 Pew Research Centre report indicates that in Spain, 89% of the population is favourable to this community.<sup>30</sup> This is reflected in ads. However, ads are more likely to show a gay male couple and no other groups, such as lesbians or transgender people.<sup>31</sup> They also reinforce stereotypes of the muscular, vain gay man with impeccable physical appearance.<sup>32</sup>
- **Skin Complexion:** There is still very little presence of people from different cultural groups as protagonists in advertisements in Spain. And when they do, they do not appear as the main characters but are relegated to a secondary role. They select primarily lighter-skinned actors, and interracial couples are not represented. In addition, when ads included people with other skin tones, in many cases, they played stereotypical roles,<sup>33</sup> e.g., one in three ads featured black people focused on dance, music, or sports.

## 4. Conclusion

Recent initiatives from the European level have touched on the importance of the media sector for diversity. Different strategies and action plans, such as the Gender Equality Strategy, LGBTQ-strategy, and Anti-racism Action Plan, were created by the European Union. However, there is still a long way to go for taking the words and turning them into action. But, it can be acknowledged that the advertising sector has been gradually making positive changes toward better representation and projection of diversity. But unfortunately, we are still witnessing a lower number of diverse people in

<sup>25</sup> Sayaka Osanami Törngren & Sofia Ulver (2020). Who Is Marketised in Colour-Blind Sweden? Racial and Ethnic Representation in Swedish Commercials 2008–2017.

<sup>26</sup> Donis, C.A. (2016). La representación y discurso del otro/a en la publicidad social de las ONGD32 como legitimador de relaciones de poder. En M.J. Barriga Cano (Ed.), *¿Nuevas alternativas de la comunicación?: soportes, contenidos y audiencias* (pp. 149-171). Sevilla: Egregius.

<sup>27</sup> See <https://www.optimagrupo.com/la-publicidad-es-cada-vez-mas-inclusiva/>

<sup>28</sup> See <https://www.kantar.com/es/inspiracion/publicidad-y-medios/activismo-de-marca-publicidad-inclusiva>

<sup>29</sup> Lorite García, N., Grau Rebollo, J., & de Sousa Lacerda, J. (2018). Representación de la diversidad sociocultural en la publicidad audiovisual: materiales para un tratamiento inclusivo. *Revista Latina De Comunicación Social*, (73), 425-446.

<sup>30</sup> See <https://www.newtral.es/espana-encabeza-el-apoyo-al-colectivo-lgtbq-yougov/20210901/>

<sup>31</sup> See <https://uvadoc.uva.es/bitstream/handle/10324/49616/TFG-N.%201726.pdf?sequence=1>

<sup>32</sup> See <https://idus.us.es/bitstream/handle/11441/79706/PUBLICIDAD%20GAY-FRIENDLY%20DE%20EMPRESAS%20ESPA%C3%91OLAS.pdf?sequence=1&isAllowed=y>

<sup>33</sup> Ibidem

ads. By including diversity in the advertising campaigns, advertisers reach out to a much wider audience, and due to the higher reach of the campaign, it generates a greater return on investment. However, if diversity in advertisement is not done correctly, consumers may also stop buying a brand. The progressive move towards diversity and inclusion in advertising is a continuous effort and requires continuous reflection.

#### **Recommendation 1 – Onscreen AND offscreen diversity**

Portraying diversity by the advertising companies should be implemented in both ads on screen and in their internal practices, including the company's values, recruitment process, decision-making, promotion opportunities, compulsory diversity, inclusion training, etc.

#### **Recommendation 2 – Inclusive language is important**

Advertisers should strive to practice diversity in their campaigns with a personal touch to broaden their communication/message of the campaign to attract all communities. Advertisers should also consider that the language used in the ads is not discriminatory and is free from stereotyping. The target audience should feel valued, included, and well-represented.

#### **Recommendation 3 – Advertisement as a social and cultural force**

Diversity in advertising is a process. To reach sustainable progress, advertisements play a crucial role in educating, building awareness, and projecting different groups to promote acceptance, unity, and harmony in society.

#### **Recommendation 4 – Include existing policy and other relevant stakeholders**

Promoting pluralism, diversity, and multiculturalism in advertising to break stereotypical notions of minorities, working with regulatory bodies, social networks and civil society organisations, journalists, and artists. A diverse and inclusive Advertising Policy and Anti-Racism Action Plan are essential to encourage and drive positive change in the sector.

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