

# **THE GLOBAL ADVERTISING WORKFORCE: WHO IS EXCLUDED & WHY IT MATTERS**

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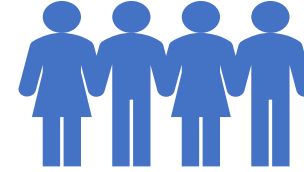
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# Workforce Inclusion Matters in the Ad Industry



**Jobs & Opportunity**

**Need INCLUSION not just diversity**

**Societal influence**

**Outgroups not influential if:**

**Absence of diversity:**

**Stereotypes**

**Social divisions**

**Anti-social behavior**

**Lack critical mass**

**Isolated into ethnically or gender-based roles**

**Outgroups disrupt “groupthink”**

**Precluded from creative/client contact positions**

# US Ad Industry's Culture of Exclusion

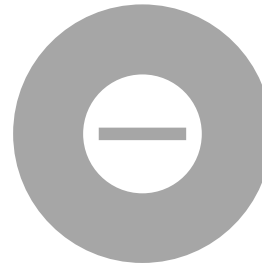
US Data 2018

	<b><u>% of Benchmark Employment</u></b>	<b><u>% Penalty in Annual Pay</u></b>
<b>African Americans</b>	<b>56%</b>	<b>- 22%</b>
<b>Hispanics</b>	<b>85%</b>	<b>- 9%</b>
<b>Women</b>	<b>95%</b>	<b>- 18%</b>
<b>&gt; 50</b>	<b>66%</b>	<b>- 20%</b>
<b>Disability</b>	<b>70%</b>	<b>- 10%</b>

# Source of Exclusion is INGROUP Behavior – NOT Outgroup Behavior



Ingroup's exclusion affects multiple outgroups



“Pipeline” argument invalid



Post-hiring glass ceilings, glass walls & pay inequity



Patterns largely unchanged since 2009 & earlier

# Globally, Industry Follows Similar Patterns -- with Adaptations to Local Outgroups

**Gender** “pervasive & systemic horizontal and vertical gender segregation within advertising creative departments worldwide.” Deng & Grow (2018)

**Ethnic diversity** Whites gain ground as move up leadership ladder, ethnic employees lose ground (creative & media depts). IPA (2018).

**Ageism** Ageist work cultures in Australia Brodmerkel and Barker (2019). UK average age of employee in advertising industry is 34, and 40% 30 years old or younger IPA (2018).

**Pay** discrepancies for outgroups women & ethnic minorities.

# No Change in Sight Among Agencies

- **Ad industry culture resists change, despite potential benefits**
- **US government regulation often absent or weakly enforced**
- **EU-wide & individual countries regulatory solutions focus on output not agency internal operations**
- **Agencies good at PR to maintain status quo**



# Change Strategy: Information Regulation (IR)



IR applicable globally



Firms operate within network of stakeholders



Stakeholders empowered by information to pressure agencies to change behavior

# IR Applied to Advertising Agencies

01

Clients of agencies  
are key  
stakeholders

02

Motivating &  
empowering  
clients to pressure  
agencies

03

Clients move their  
accounts to “good”  
agencies



# Clients DO Move Accounts -- BUT Not Necessarily to Demand Inclusion

(Clients) Moved or Added One P.S.P.

	Yearly Ad Spending	<u>Policy on Suppliers' Inclusion</u>		
		None	Diversity	Non-Discrim.
Ford	\$3.0B		X	
GlaxoSmithKline	\$1.6B		X	
Mars	\$1.4B		X	
HSBC	\$ .5B			X
Quicken Loans	\$ .4B	X		
Intel	\$ .4B		X	
Puma	\$ .3B	X		
<u>Pizza Hut</u>	\$ .2B		X	
<b>28 Large Advertisers</b>		<b>54%</b>	<b>39%</b>	<b>7%</b>



# **Cautions about Diversity & Inclusion in the Workplace**

**Diversity is more than a single characteristic: Avoid tokenism and stereotyping**

**Diversity alone does not automatically lead to inclusion & its benefits**

**Without inclusion there will be no culture change, only high turnover of outgroups**

# For more information...

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Brodmerkel & Barker, “”Hitting the ‘Glass Wall’: Investigating Everyday Ageism in the Advertising Industry,” *The Sociological Review* (2019).

Deng & Grow, “Gender Segregation Revealed: Five Years of Red Books Data Tell a Global Story,” *Advertising & Society Quarterly* (2018).

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The Institute of Practitioners in Advertising (IPA), “IPA Diversity Survey 2017,” UK (2018).

\*Full text is available at [www.bendickegan.com/publications](http://www.bendickegan.com/publications).