



Dear Marketers,

In this time of social transformation, as national advertisers you have been thrust into a dialogue of diversity, equity and inclusion regarding multicultural sectors. While many of the corporate initiatives you've undertaken are laudable, in too many cases the DEI conversations and initiatives are being led by the very marketers that are slashing their multicultural ad dollars and using the cloak of DEI to cover the shifts that are taking place.

The bottom line is that only two to five percent of budgets are allocated to multicultural marketing, while the Hispanic segment alone represents 20 percent of the population. There is a vast and unacceptable gap between 5 and 20 percent, despite countless ROI studies showing that allocations of between 15 to 20 percent are needed to drive real bottom-line growth in just Hispanic alone. Brands have a social and business imperative to make **Responsible and Intentional Investments** in all multicultural audience segments in their marketing AND increase their investment to levels that are in line with the percentage of the business that these audiences represent.

We need to ensure that we are not just part of a shell game with brands moving money around their multicultural marketing budgets instead of allocating higher percentages to engage every multicultural consumer actively and intentionally. Too many brands are "robbing Peter to pay Paul" by shifting budgets from Hispanic to Black to Asian efforts without ever expanding the size of the investment. They also are hiding behind DEI initiatives as symbolic gestures, instead of allocating **Responsible and Intentional Investments** as a business imperative. If brands are serious about fostering effective business growth and meaningfully impacting multicultural communities, they must invest their budget where the growth resides instead of an outdated, homogeneous "general market," which does not exist. Advertisers must understand the nature of a more fragmented consumer marketplace, with their own diverse cultures, habits, behaviors and idiosyncrasies.

The market doesn't need another ROI study; what it needs is for brands to commit to **Responsible and Intentional Investment** that goes well beyond diverse storyboards and checking a DEI box. It is about a balanced scorecard that looks at investments in minority-owned media, endemic media, targeted non-endemic media and multicultural media. The scorecard also must look at advertisers use of culture specialists at minority-owned and minority-targeted agencies to drive effectiveness and allocate a higher investment to multicultural marketing.

We can't accept the crumbs any longer and need to call out brands who are laggards or hiding behind DEI initiatives and pledges as a catch-all. There is no short-term fix to the long-standing inequities in marketing, and frankly, you can't afford to look at just one segment or ignore them all together. There is \$8 trillion of spending power depending on how you choose to allocate your efforts. The time is now! We already live in the most diverse and multicultural society America has ever seen, and for the 17 and under market segment, America is already "multicultural majority" and soon the whole country will be multicultural majority -- the forthcoming Census will only underscore this.

Brands have a social, moral and business imperative to do the right thing. Do not use DEI as a cloak to raid your marketing budget. Stop moving money around and invest more in **Responsible and Intentional** ways. It will be a win-win for your bottom-line and the communities you want to support!